MINUTES OF EVIDENCE

TAKEN BEFORE THE

SELECT COMMITTEE OF THE HOUSE OF COMMONS

ON THE

AFFAIRS

OF

THE EAST-INDIA COMPANY,

FEB. 9th to AUG. 1st, 1832.

III.

Revenue.

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JAN. 1833.

LIST OF WITNESSES.

Jovis, 9° die Februarii, 1832

Thomas Love Peacock, Esq ....page 1
John Sullivan, Esq 1

Martis, 14° die Februarii, 1832

Hugh Stark, Esq 12

Jovis, 16° die Februarii, 1832

Hugh Stark, Esq. 33

Jovis, 23° die Februarii, 1832.

Henry St George Tucker, Esq. 50

Sabbati, 25° die Februarii, 1832

Alexander Reid, Esq 66
Langford Kennedy, Esq .... [illegible]

Lunæ, 27° die Februarii, 1832

Holt Mackenzie, Esq .... [illegible]

Jovis, 1° die Martii, 1832.

Henry St George Tucker, Esq 85
Henry William Hodges, Esq .... [illegible]

Jovis, 8° die Martii, 1832

Langford Kennedy, Esq .... 11[illegible]

Martis, 13° die Martii, 1832

Holt Mackenzie, Esq 127
Langford Kennedy, Esq 137

Veneris, 16° die Martii, 1832

David Hill, Esq. 143

Martis, 20° die Martii, 1832

Colonel John Munro 168
Robert Alexander, Esq 178

Jovis, 22° die Martii, 1832

William Butterworth Bayley, Esq 188
Lieutenant colonel Barnewell, Esq 195

Lunæ, 9° die Aprilis, 1832

Henry St George Tucker, Esq 204

Martis, 10° die Aprilis, 1832

Lieut. colonel William Henry Sykes, page 21[illegible]
William Henry Trant, Esq 229

Jovis, 12° die Aprilis, 1832

Lieut colonel William Henry Sykes ... 241
Thomas Fortescue, Esq 253
William Henry Trant, Esq 265

Sabbati, 14° die Aprilis, 1832

Alexander Duncan Campbell, Esq 267

Lunæ, 16° die Aprilis, 1832

The Hon William Leslie Melville 283
Capt George Augustus Underwood ... 289

Mercurii, 18° die Aprilis, 1832

Holt Mackenzie, Esq 298

Lunæ, 7° die Maii 1832

Henry Newnham, Esq 316

Jovis, 10° die Maii, 1832

Henry Newnham Esq .... 3[illegible]4
Malcolm Lewin Esq 330

Martis 22° die Maii 1832

Lieut colonel William Colebrooke ... 337

Lunæ, 25° die Junii, 1832

Captain John Shepherd .... [illegible]
Sir Charles Forbes 350

Jovis, 28° die Junii 1832.

Holt Mackenzie, Esq 353
James Mill, Esq 361

Mercurii, 18° die Julii, 1832

Thomas Bracken, Esq. 372

Mercurii, 25° die Julii, 1832

Thomas Bracken, Esq. 373

Mercurii, 1° die Augusti, 1832

Thomas Bracken, Esq 375



MINUTES OF EVIDENCE.

Jovis, 9° die Februarii, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

III.
REVENUE.

9 February 1832.

Thos. Love Peacock, Esq.

THOMAS LOVE PEACOCK, Esq. called in and examined.

1. WHAT situation do you hold in the India House?—I am called Senior Assistant Examiner.

2. What is it your duty to examine?—The revenue despatches received from Bengal, Madras, and Bombay

3. Do you know any thing of any paper in preparation, which has for its object to facilitate the inquiry into the revenue system of administration at the different presidencies?—Yes; I had some conversation with the officers of the Board of Control, and with Mr. Hyde Villiers, on the subject; they gave me a paper containing a great many heads, which they requested might be made out in detail. This would have been in substance to bring down the history of the revenue department from 1810 to the present time, in all its branches, embracing the most important facts, the principal differences of opinion, and a judgment both on the facts and on the opinions. I was asked whether I could prepare it; I said I could if I had time to do so, but that I could not consider myself as relieved from the common duties of the revenue department unless I received an order from the Court of Directors to do it; which order I have not received, and therefore I have not considered myself at liberty to apply myself to that paper.

4. In point of fact, no such paper has been prepared?—No.

5. Can you at all assist the Committee in finding out those documents which you have reason to believe would enable them to ascertain the different points required to be pointed out in that paper?—Yes.

6. Where are they to be found?—They are all to be found in the records of the East-India House; a great many have been printed.

7. Do you mean printed for the use of the House of Commons?—Yes.

8. In what documents?—In the Appendix to the Minutes of Evidence; there are also four volumes of papers called the Revenue and Judicial Selections, which contain a great number of important papers printed by order of the Directors for the use of the Court of Proprietors.

John Sullivan, Esq.

JOHN SULLIVAN, Esq. called in and examined.

9. YOU were for some time resident in the province of Madras?—In the province of Coimbatoor, under the presidency of Madras.

10. How

9 April 1832.

John Sullivan, Esq.

10. How long were you there?—I was 22 years in India, and nearly 15 in the province of Coimbatoor.

11. How long is it since you returned?—About 18 months.

12. With regard to the different modes of settlement, which in your opinion is the best that has been adopted or suggested?—I consider the ryotwar settlement to be the best; it is the only permanent settlement of the land revenue, all the others are fluctuating assessments.

13. Have there not been various modifications of the ryotwar system?—The most important were suggested by Sir Thomas Munro in 1807. The ryotwar was the old system under the native governments, upon which we have improved.

14. With a view to the perfect arrangement of the ryotwar system, is not an actual survey and valuation necessary?—It is necessary. When a landlord in this country wishes to ascertain the value of his estate, he makes a survey of it.

15. Will not that occupy much time?—It is very soon done, if there are proper instruments selected.

16. Can the natives be trusted to ascertain the quantities?—Yes, they can be trusted. Europeans are perfectly incompetent to such a work; the natives are always employed in it.

17. Have they any personal interests that at all interfere with the faithful execution of such a trust?—Not if proper persons are selected. There is a system of checks which prevents any great abuse in the assessment; one part of a district checks another, one village checks another, each village takes care that it is not over, or its neighbour under, assessed; it is done with great accuracy; the assessment of Coimbatoor came under my revision for 15 years, and I was much surprised at the accuracy with which it had been done.

18. Has it not been recommended that a permanent rent should be attached to the land, not variable from year to year?—The great principle of the ryotwar system is a permanent assessment of the land-tax.

19. What, in your view, would happen, supposing the cultivation of any more valuable plant was introduced, by which the value of the land was very materially increased, after the amount of rent had been fixed; would it create a system of sub-tenancy, or would in every case the ryot holding of the government be compelled to occupy the land?—The ryot is perfectly free either to occupy the land himself or to let it, he is completely the owner of the land; he has all the rights of the landlord in this country. The assessment is fixed: propositions have been made that there should be a war-tax and a peace-tax, the ryot paying less in time of peace; but that has never been carried into effect.

20. Do you think that if the share to be borne by the ryot was considerably increased, the effect of that would be to improve the condition of the actual ryot, or to excite in him the disposition to find a sub-tenant and to live upon a moderate profit rent?—The character of the people must be looked to: agriculture is their occupation, and in almost every instance the proprietor of land is its cultivator. When property breaks up it is equally divided among the sons, so that landed property throughout India, under the operation of Hindoo institutions, is found to be divided amongst a great many holders. There is nothing in the regulation or institution which prevents his letting the lands, there is no restriction upon him. There are

9 April 1832

John Sullivan, Esq.

are a number of Brahmins and some of other castes who do not cultivate; they let to tenants, and they are themselves answerable to the Government for the rent, or the in-tenants pay it.

21. Seeing that a fixed rental, and that a moderate one, which you state this to be, has a tendency materially to improve the condition of the ryot; and that, on the other hand, a subdivision of property amongst children has a tendency to diminish their wealth, what do you think has been the effect; looking at the counteracting effect of those two causes, has the condition of the ryot improved or otherwise?—Most materially, in the province with which I was connected. All the information that I could obtain led me to think so: the proof of it was the outlay of capital for the improvement of the land, and the quantity of land which was brought under artificial irrigation by the ryots themselves.

22. Do you mean that when the irrigation has extended to lands not previously irrigated, the tax is increased?—The lands classed as irrigated always pay a higher rate of tax.

23. If artificial irrigation is extended to other lands, do they pass to the higher class?—Yes; but the tax upon the irrigated lands bears a lower proportion to the produce than the tax upon lands not irrigated: it is more profitable to the ryot.

24. In what way is the distribution of water among the different land proprietors regulated?—It differs in different districts: my answers refer principally to wells, which are all private property; where lands are watered from tanks, there are specific regulations for the distribution of the water.

25. Do they manage that matter for themselves?—Yes, they manage those matters for themselves, according to ancient usage.

26. It is for the benefit of the ryot that he shall hold directly of the Government, and communicate with the government agent?—It is: the evil of other systems is, that it removes the ryot from all communication with the government agent. I can state a striking instance of the dislike which the ryots entertain to intermediate agents: the principal native officer on my establishment was rewarded for his services by a grant of revenue; the revenue had before been most punctually paid, but upon the grant to this man the people stopped payment; he came to me and requested my assistance towards realizing his dues; I spoke to the people, when they complained to me of the disgrace and hardship to which they had been subjected in being deprived of their right to pay their revenue direct to the government officer.

27. Do they suffer their payments to run much in arrear?—They were most punctual in Coimbatoor: in a revenue of 23 lacs of rupees, the balance at the end of the year was not more than 4,000 or 5,000.

28. Do you not consider that a revenue of that sort requires a person of very great experience at its head?—No doubt it does, to put it into operation.

29. The principle of the ryotwar system is that you should assess each individual portion of land by a rent?—Not only each individual portion of land, but every field, every acre, bears a fixed rate.

30. Is there no difficulty resulting from the subdivisions of lands in the transfer of property?—Not the least: a man who wishes to transfer his property under the ryotwar system carries it into the market, and if a question is put as to the amount of

9 February 1832.

John Sullivan, Esq.

of the government tax upon it, he is able to answer it by a reference to the public register: where the revenue is fixed on the village, it is only in the aggregate, so that if a man wants to sell a particular field he cannot state the exact amount of the government demand upon it; he is obliged to come to the collector to get a fresh assessment of that component part.

31. You said that the reserved rent is about one-fifth; is that the amount which the Company seek to obtain?—In Coimbatoor it has decreased to that porportion.

32. When you say that, you mean that in assessing it amounted to about one-third; that was taken as the principle?—That was the average; the government rent was supposed to absorb about one third of the gross produce when I first went to Coimbatoor.

33. Are there any considerable tracts of unoccupied land over which the population is likely to extend, and which are likely to produce revenue to the Company?—Very large tracts.

34. Does the population increase fast enough to make it probable that the people will soon occupy them?—It will take a long time to occupy them. There is a column of figures in a paper which I printed on the ryotwar system, which shows the increase of the revenue in Coimbatoor from year to year.

35. By this statement it appears that in 1816 the population of the province of Coimbatoor was 563,695, and in 1828 it was 870,866?—That increase arose in part from children under five years of age being included.

36. Have you any doubt that the population continues to increase as rapidly as it has done heretofore?—No; it increased rather in a greater proportion.

37. Has confidence in the present system increased?—Considerably.

38. Has that improvement produced any change in the habits of the people?—None in their habits.

39. Any in their clothing?—No material change; the wealthier ryots are better clothed.

40. Do you entertain the opinion that the revenue of the Madras provinces is on the increase or the decrease?—I think there has been no material increase; and when the Government again received the lands back, at the expiration of the leases, the country was found in a very deteriorated state.

41. What proportion of the country remains now under village lease?—I think none now.

42. You do not entertain the opinion that the land revenue of Madras is likely materially to increase in any time which can be named?—Under the ryotwar system I think it will very materially increase, under a moderate assessment, but it will depend entirely upon the rate of assessment; if the assessment is too high there will be no increase.

43. Has anything been done by Government to put an end to the zemindary settlement, to purchase up the zemindary rights?—Orders were sent out in 1813 or 1814 to that effect, and a considerable portion of territory has in consequence fallen under the ryotwar system.

44. What is the population of the Northern Sircars?—I should think very little short of four or five millions of people.

45. You

45. You state that under the ryotwar system you conceive there will be a great increase of revenue; in what manner is that to be, the rent being fixed?—Through the increase of cultivation and the increase of irrigation.

46. You said that there had been a proposition for altering the settlement according to peace or war; does that power in fact exist?—No; the proposition was to lower the present rent, and to put it on again in time of war.

47. In the permanent settlement there is this difficulty, that the expenses must be increased, not only by the actual expenses of war, but by interest on loans?—Certainly.

48. What other sources would remain available in India, supposing such expenses as those occurred, to meet which the land-tax and other resources were insufficient?—I do not think any source can be looked at but that of land; it appears to me the most unobjectionable.

49. Supposing all India were placed under the permanent settlement of land-tax, in what manner could such expenses be met?—The ryotwar system provides for a participation by Government in the waste lands as they are brought under cultivation; the assessment of the waste lands is taken into account; they are not paid until the land comes into cultivation, but that is a great source of revenue to look to; the cultivation increased in Coimbatoor from 1,345,000 to 1,957,000, and the revenue from 2,011,000 to 2,189,000.

50. Do you think it would be a long time before the people could be brought to any fresh mode of taxation?—They are extremely impatient of any new taxation.

51. If you fixed a revenue on the land at a certain amount, and that were introduced all over India, setting aside the mode of assessment, would not that create the very difficulty in case of any unforeseen expense?—Yes, certainly.

52. Particularly in a country like India, where the population appears from its habits to submit reluctantly to increased taxation?—Yes, in doing so you cut off your principal resource in case of emergencies.

53. Then your opinion would be rather against the principle of permanent settlement?—Of a permanent settlement which gave up the right of Government to participate in the benefit of increased cultivation.

54. You think that the great improvement is that it leaves to Government the benefit of the improved cultivation?—Yes.

55. Supposing any alteration in the value of money to take place, there would be no power of raising an additional assessment on land?—There would not.

56. Is there any other mode of getting rid of the remains of the zemindary system but by purchasing up their lands?—The only other way is to reduce the demand upon the zemindars, on condition that the demands on the cultivators shall be reduced in the same proportion: the Government are so bound to the zemindars that they cannot do it without their consent.

57. Would it be possible that the Government should undertake to pay the zemindars their share, and claim the whole from the ryots, so as to set the zemindars practically aside?—That would be a breach of faith.

58. Do you imagine that if a mutual agreement of that kind was to take place, the Government would be able to protect the ryots against the zemindars?—Unquestionably; then they would fix the rent of every individual landholder.

59. There

9 February 1832.

John Sullivan, Esq.

59. There is a feeling in the Indian Government that when the ryotwar system is introduced it cannot be violated?—Undoubtedly.

60. If that feeling prevails with the same force on the part of the ryot, would he feel it a breach of faith on the part of Government?—Decidedly; where that system is in operation, the ryot has a document which shows the name and the nature of his holding, and the rent affixed, beyond which he cannot be made to pay.

61. Are you of opinion that if the ryotwar system were introduced on a low assessment, it would have an effect in increasing the customs and excise?—Certainly, its effect is to increase the produce and increase capital; and with capital, trade naturally grows and consumption increases.

62. Have you any acquaintance with the other sources of revenue in Madras?—The three great branches of revenue beside the land-tax, are the salt, the customs, and the excise, and a revenue also from the monopoly of tobacco in some provinces, and also the stamps.

63. Does sayer include anything except the transit of goods from one province to another?—That is the principal item, there are also town duties included in it.

64. What effect, in your opinion, would be produced on the revenues of the province of Madras if Europeans were permitted to settle in them and hold lands?—The effect upon the revenue would be beneficial in proportion as they introduced skill and machinery, capital, and various kinds of produce not grown, superior kinds of coffee and sugar, &c.

65. Have they the privilege of leasing land in the Madras presidency?—I do not think they have, unless it has been accorded within the last year.

66. What would be the probable effect on the natives; would it be injurious or otherwise?—I think, if the natives were entrusted with a great share in the administration of their own affairs, the lease of lands by Europeans would be attended with great benefit: strong regulations would be necessary for the protection of natives from persons of bad character: in proportion as the natives are admitted to a share in the administration of their own country, they become independent, and are disposed to resist all encroachments on their rights.

67. In what way would it be possible to raise natives to such a station?—To give them those situations now held by Europeans.

68. To what situations do you allude?—I think almost every situation under the civil administration of the government; preserving to Europeans the power of control.

69. How far do you think the native population in that presidency is in a state fitting it for employment in the higher stations of the country?—I think them eminently qualified; all the business of the country is in fact done now by natives.

70. But all in subordinate situations?—Yes, we occupy the high stations; receive the emoluments and the credit; but no European could carry on the business of his office without the assistance of a native.

71. Were they to be trusted without a very close superintendence?—Not now, perhaps; but that is because we give them no motive to make them honest; if they had been treated as we have been treated, I have no doubt they would have been found equally trustworthy.

72. Where are the means to be found of giving them those emoluments?—They must, in a great degree, occupy the posts which are now filled by Europeans.

73. Would

73. Would there be any difficulty in establishing and enforcing such regulations as would prevent Europeans who settled in Madras, from oppressing the natives? —I think there would be no difficulty in framing regulations.

74. Would there be any difficulty in enforcing them?—It would be indispensably necessary that the local magistrate should have effectual means of enforcing the authority of the law upon European settlers.

75. Would it not be very much the interest of any European settled in those provinces for commercial purposes, to cultivate the good feeling of the natives?—Decidedly so; I have found that persons in different places who were employed in commercial pursuits lived on much more familiar terms with the natives than public functionaries.

76. In connection with the idea of Europeans settling in the country, to what courts should they be amenable in case of any offences being committed; to the same courts as the natives, or in all cases would you bring them up to the presidency?—To the local courts; that would be a *sine qua non.* There must be justice on the spot, or there will be no justice at all.

77. Would an European taken before a court in which, according to your supposition, a native might preside, be exposed to the possibility of great injustice from the circumstance of his not understanding the language, and his being to be tried by persons of different habits, manners, and associations from himself?—I think there are those impressions on the mind of natives with regard to Europeans that would prevent an European from suffering injustice, although tried by a native; but I am not so sure that a native would always find the same justice at the hands of an European.

78. Has the rate of wages risen much under the ryotwar settlement?—I took great pains to collect information upon that subject, and the result very much surprised me; I could not discover that the nominal rate of wages had in the smallest degree increased. It appears to be in Coimbatoor the same as it has been for centuries back. I found, however, that although the nominal rate of wages had not increased, yet by loans made to their labourers, for marriages and other purposes, the landowners really paid more for labour than they used to do.

79. Is there any record, either among the native princes or any others, of any change in the standard of currency; are they in the habit of playing tricks with the currency?—About seven or eight years back a great adulteration was discovered in the coinage of the giddar-rupee; a great proportion of it was found to have been bored and filled up with lead: the whole of that circulation was subjected to the action of fire, in order that the quantity of alloy might be detected.

80. Have any of the governments debased their currency or changed their standard?—Native governments have done so, but not to any great extent; they are generally scrupulous in that respect, but there have been exceptions.

81. In the list of items of revenue, one appears to be Mint; is there an extensive coinage carried on at Madras?—A very extensive coinage at Madras; it is confined to Madras for that presidency.

82. How does the profit arise?—It is by seignorage. With respect to the question that was asked me as to the practicability of opening fresh sources of revenue, I would observe, that in Madras, and in Bengal too, I believe taxation is extremely unequal; there are a large class of persons who are entirely exempt from direct taxation,

9 February 1832.

John Sullivan, Esq.

ation, I mean the large capitalists: the meanest labourer in the Madras territories pays a certain proportion of his earnings as an income tax; but the capitalist who derives an income of 30,000 *l.* or 40,000 *l.* from trade, pays no direct tax.

83. Does not he pay duties?—He pays the town duties; but those are repaid to him by the consumer. This subject was forced upon my attention about two years before I left Coimbatoor, by some very extensive robberies from the capitalists there; one man lost 40,000 rupees: the police were engaged for several weeks in recovering it, which at last they did; and it appeared to me that was the proper time for bringing those persons within the reach of taxation; that they should pay something direct for the protection they received.

84. How is the income-tax, to which you refer, assessed?—It is a capitation tax; it is a tax on arts and professions, varying according to the nature of the trade.

85. The capitalists are native shroffs?—Yes, shroffs and merchants.

86. They pay stamp duties?—Yes.

87. The only way of meeting the case of those persons would be by making the principle of land-tax more extensive?—That would not reach them, because they have no land.

88. Can you impose a tax on interest of money?—A new tax is a very delicate thing in India; the people pay readily what they have been used to pay, but serious resistance has frequently been opposed to the imposition of fresh taxes.

89. You have stated to the Committee that arrangements were made for supplying different districts with water; be good enough to state whether the invention by which water can be obtained by boring, which has been lately practised in this country, has been tried in India?—In one of the last reports I wrote before I left India, I recommended that such an apparatus should be introduced there by government, as I considered that very advantageous results would follow from its introduction.

90. You are decided in your opinion of the preference of the ryotwar system, as it respects both the people and the government?—I think it is the only system by which justice can be done the people.

91. Do you consider it essential to the settlement of Europeans in country districts that they should give security at the presidency for their good conduct?—It might be advisable to require them in certain cases to do so; but the most essential thing would be that justice should be administered upon the spot, and that the local magistrate should have ample means of compelling Europeans, if necessary, to abide by his decision.

92. The native cultivation, even in those products they now cultivate, has undergone great improvement, has it not?—Yes.

93. Their method of cultivation is such as would be materially improved by European skill, is it not?—There is a great deal of their cultivation very well performed, the land well prepared and well manured.

94. One of the great advantages which has been looked to from the introduction of Europeans, is the improvement in the method of cultivation; do you doubt that that would take place?—I have no doubt that products not now grown would gradually be introduced, and that their cultivation would be eventually improved.

95. In

95. In the event of European settlers being permitted in any part of the country, would the taking securities from them at the presidency, for their good conduct in the part of the country in which they might become resident, tend to prevent any of the differences which might take place between them and the ryots?—I think it certainly would have that effect.

96. You think that it would strengthen the power of the magistrate in the country district?—Certainly.

97. Is the system of advances to the ryots very general?—It prevails all over India; it prevails less under the ryotwar system than under any other system, because they have more capital; it is very trifling in the district I am most acquainted with.

98. Under the zemindary settlement the Government looks to the zemindar for a fixed payment, and does not take any cognizance of the transactions between the zemindar and the ryot?—None whatever.

99. Supposing the case of the Government knowing that the number of ryots under a certain zemindar were assessed too highly, and were subject to extortion, and that the Government wished to relieve them, has it any means of so doing?—No means whatever.

100. Supposing the Government were disposed to say to a zemindar, we will abate your rents upon condition that you make some abatement to your ryots; do you think that by consent of the two parties, such an arrangement could be brought to work well?—It depends very much upon the terms which the zemindar now has; if the zemindar now pays a much lower assessment than he ought to pay, he stands in such an advantageous position that he would not come into any arrangement that should have for its object the diminution of demand upon his ryots. There are two opinions held with respect to the rights of zemindars: one is, that the Government, in giving them the right of property in the soil, did not deprive the ryots of any pre-existing rights; the other is, that in giving that right of property, all those rights in fact ceased, and the zemindar was at liberty to extract as much rent as he could from the ryot, who in fact had become his tenant.

101. Which of those has generally been held by the courts?—There has been a great difference of opinion among the courts; the usual opinion is that I last stated, that the ryot is the mere tenant of the zemindar, and he may do as he pleases.

102. Has it not been found in many cases that the ryots are uniformly unable to protect themselves against the zemindars?—Completely so.

103. Supposing the Government were about to settle a certain district of country not now cultivated, with a certain population, in which case would the Government extract the most revenue, in the first instance; by settling it under the ryotwar establishment or the zemindary establishment?—It would depend entirely upon the amount of the government demand upon the land; the ryotwar system has always been found more productive in revenue than the other systems.

104. Taking, in the one case, the average assessment of the ryotwar system, in the other case the average amount of the zemindary system, already established?—The largest amount of revenue would always be drawn under the ryotwar system; it has always been found by experience that the departure from the ryotwar settlement

9 February 1832.

John Sullivan, Esq.

settlement has invariably been attended with pernicious consequences to the revenue; the payments have been less in amount, and always less punctual."

105. With respect to the suggestion of expediency of adopting a security to be given by Europeans settling in the country, if that was to be carried into effect to any extent, would it not be a considerable bar to the settlement of Europeans in the country?—I am inclined to think that it would; and I think if the hands of the local magistrate were sufficiently strengthened, that would not be necessary.

106. Might it be possible to adopt it with respect to persons who undertook as capitalists to conduct establishments or enter on the cultivation of any plant, without extending to superintendents and overseers, and so on?—It might be; but I should not think that a matter of any very great importance.

107. The Carnatic is under the ryotwar settlement, is it not?—Yes, the provinces of Arcot are under the ryotwar settlement.

108. And the Ceded and Conquered Provinces under the Madras territory?—Yes.

109. In Bengal, where the zemindary settlement prevails, the charge of collection of the land revenue is stated to be about 6 and three-tenths, or nearly four-tenths, per cent.; in the Carnatic it is, in the year 1827–28, 17 and three-tenths per cent.; and in the Ceded and Conquered Provinces, 15 per cent.?—It depends upon the items included in the account; in some provinces items are included, and in others excluded. It is impossible to make a calculation unless you know the items of charge. Under the ryotwar system there is a very heavy expenditure for advances for cultivation, and advances for irrigation; as these are recovered, they are struck out of the account.

110. Do you suppose that a correct representation of the proportions of the expense of collection?—I should think not. Ryotwar is certainly more expensive, for there are more agents employed, but not to that extent. It depends on the salaries of the European collectors: sometimes the Bengal collectors have larger salaries than the collectors at Madras; sometimes a collector has two or three agents; sometimes he has none. The zemindary system does not require anything like the establishment that is kept up for ryotwar.

111. Do you suppose that the advantage of the ryotwar system is counterbalanced by the increased charges of collection?—Certainly not. In Coimbatoor there was a very large addition made to the establishment, in consequence of the appointment of subordinate collectors; but in five years afterwards the charges of collection were considerably smaller than they had been before that.

112. Do you know whether in the provinces with which you were acquainted under the Madras presidency, there is any mineral wealth; whether there are mines capable of being worked?—There are; in Coimbatoor there was a mine of aqua marina, which was worked for some time.

113. You suppose that the wealth of those provinces might be increased?—Yes. Immediately below Coimbatoor gold of a very fine standard is obtained from the washings in the river; and there is every reason for believing that rich mines must exist in the neighbourhood.

114. Is it not supposed there is considerable wealth of the same description in Malabar?—Yes, in Malabar, which adjoins Coimbatoor: the gold mines are situated

9 February 1832.

John Sullivan, Esq.

situated in the Wynaad division of that province? There are iron mines also in Coimbatoor; and these, I conceive, would be of great national importance.

115. With respect to the transit duties, they are very unequally imposed, are they not?—Not generally unequal; there is a 5 per cent. duty, and an 8 per cent. town or consumption duty.

116. Is the double duty you have spoken of a 5 per cent.?—It was a 5 per cent. duty on the difference of the tariff in Malabar and Coimbatoor; it was peculiar to those two provinces, and was I have no doubt originally an oversight.

117. In what spots is this collected generally?—At different custom-houses throughout the country.

118. Is it a very great imposition?—No, I have not heard any complaint of it; it is rented.

119. Do you think any great improvement might be introduced into it?—No, I think not, except in respect of the collection of the double duties; that is a positive grievance.

120. How may officers are there engaged in the collection of that duty between Coimbatoor and Madras?—There is a host of them.

121. Do you pay 8 per cent. in addition to 5 per cent.?—Yes; I do not think there is a drawback, I think that it is an additional 8 per cent.

122. If it is exported there is a drawback?—Yes.

123. On what articles is it principally charged?—On almost every article.

124. Did this exist under the native government?—Yes; there was a much more vexatious duty under the native government, the duty was paid at almost every custom-house; there is a great improvement in that respect.

125. Do the subordinate officers employed in collecting this revenue make any charge for themselves?—The transit duties for Madras are all farmed, the rate being fixed.

126. Are there any references which you can give the Committee to documents connected with the ryotwar and other systems?—I beg to direct the attention of the Committee to the minutes of Lord Hastings, Sir E. Colebrooke, Mr. Dowdeswell, Mr. Stuart and Mr. Adam, on the effects of the permanent settlement, which are to be found in the selection of East-India papers from the records of the East-India House, vol. i. 154, and the following pages; and a minute of the Madras board of revenue, on the relative merits of the village and ryotwar systems of revenue management, in 1823; the latter document, which is very important, is not printed.

Martis, 14° *die Februarii*, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

III. REVENUE.

14 February 1832.

Hugh Stark, Esq.

HUGH STARK, Esq. called in and examined.

127. You are Chief of the Revenue Department in the India Board?—Yes.

128. Will you be so good as to state to the Committe shortly what constitute the main sources of revenue in India?—The land revenue has always been considered as the principal source, but of late years the revenue in Bengal from salt has greatly increased. The Company have, in a despatch, which I believe is in the Appendix, considered that a million and a half might be the average of duty from it, although I consider that as extremely high, but I should say about 1,400,000 might be reckoned upon.

129. Will you give a view of the sources from which the revenue is derived?—The land revenue is the principal source throughout all India; in Bengal, the next source is the salt.

130. Of what nature is that revenue?—It is a close monopoly, both of manufacture and of sale.

131. Is the manufacture conducted under the superintendence of the Company's officers?—Precisely so; it is managed by agents appointed by the Government.

132. Next to that, what is the principal source of revenue?—We might reckon either opium or customs; I suppose about 50 lac of customs, and I should think the average value from opium about 80 lac of rupees.

133. In addition to the sources you have enumerated, are there other minor sources?—The other sources are the stamp duties, the abkarree or excise duties, town duties, pilgrim taxes, and tolls on rivers and canals.

134. Do you include the sayer under the head of the customs?—No; the sayer collections were abolished by Regulation; what are now termed town duties and bazaar collections generally appear in the revenue accounts under the name sayer.

135. Those do not include any transit?—No.

136. Do the transit duties constitute another separate source?—The transit duty was substituted by Lord Cornwallis for all the native sayer duties; the sayer duties, before 1793, consisted of collections upon almost every article of produce, and were frequent in the course of their transit through the country; he abrogated those collections, and established regular government duties, charging specific amounts of duty on the articles enumerated in the tariff.

137. Will you state the nature of those different sources: with respect to the land revenue, will you be so good as to point out to the Committee what are the different species of settlement of the land revenue at present existing under the presidency of Bengal, beginning with the permanent settlement?—In the Bengal provinces the zemindary system is the prevailing one; in fact I should say it was universal. The system established by Lord Cornwallis has been copied by all his successors.

138. Will

138. Will you be so good as to point out the provinces in which that system prevails?—I have a list of them here; the provinces described in the regulations of 1793 are Bengal, Behar, and part of Orissa; these are all permanently settled, and consist now of 28 districts.

139. What parts of Orissa were not subject to the permanent settlement?—Cuttack, which has been divided into two districts, principally for the better management of the salt manufacture.

140. Has the permanent settlement been extended over any provinces since that period?—None since 1795.

141. At present therefore these are the districts to which the permanent settlement is still confined?—Entirely so.

142. Will you describe to the Committee the different other descriptions of settlements that exist in Bengal?—They are engagements for defined amounts of revenue with zemindars, either of districts or of villages, for a period generally of five years.

143. Is that the universal period?—For the last 20 or 25 years they have been renewed quinquennial settlements. In all cases where the original zemindars refused to engage, revenue officers entered into engagements with what were termed revenue farmers; these were for five, seven, or ten years, as the circumstances of the case required; but when those expired, the general practice has been to offer to the original zemindars, or the parties entitled to engage, the management of the lands, as the contractors for the public revenue.

144. Are there assessments within the presidency made annually?—Not by Government in Bengal; the zemindars make their arrangements with the local proprietors annually.

145. The description then of settlement generally prevailing, without the limits of the permanent settlement, is a settlement confided to the zemindar or village officer, for five years?—The engagements are renewed quinquennially. I may explain upon this point that, under the provisions of Regulation VII. of 1822, the Government, after the revenue authorities have revised the tenure in each village, are now allowed to extend those settlements to a long period, but the government officers have hitherto made but small progress in revising these settlements in detail.

146. Are those recent instructions within these three years?—Four or five years, I should think.

147 Will you just shortly state the provinces which are subject to that species of settlement?—They are known by the terms Ceded and Conquered Provinces, viz.: the provinces ceded by the king of Oude in 1802; the provinces conquered during the war with the Mahrattas in 1804, and in Bundlecund, which was ceded by the Peishwah in 1802 or 1803.

148. What are the circumstances of the district of Benares with respect to the land revenue?—I perceive that there has been a great mistake on that point; it has been stated that it has increased: an alteration took place in the arrangement of the territory placed under the control of the board of revenue in the central provinces, by which an unsettled district, that is to say, a district under temporary settlements, named Azeemghur, assessed with about 10 lacs of rupees, was added to the Benares district,

district, which was at the same time (1819 or 1820) divided into three collectorates; one portion of Azeemghur went to the collectorate of Juanpoor, and the other portion to Ghazeepore; Benares itself became a comparatively small district.

149. Can you mention the districts in which there has been a settlement made by the zemindar, and those in which there has been a settlement made by village officers?—The Bengal officers, in the correspondence, always speak of the engaging zemindars, or the persons who represent the village community, as the proprietors; it is impossible to discover any distinction unless you find it out by a dispute. It appears to me that a collector in Bengal never looks beyond the terms of the Regulations, which only specify the zemindars as proprietors; and much of the evil that has been produced in destroying the rights of hereditary tenantry has arisen from that circumstance.

150. Then in those cases, he is the ostensible farmer of the revenue to Government?—He is declared to be the proprietor; but wherever there are hereditary cultivators, he is the engaging zemindar for the people occupying the lands, whose names do not appear upon the Government rent-roll.

151. That is universally the ostensible form of assessment?—Entirely so. I believe it was stated in a report made by the members of the special commission appointed under Regulation I. of 1821, that the shareholders in certain zemindary lands alleged to have been illegally sold for arrears of revenue, entered into negociations with the parties who were in possession of the zemindary tenure, and promised to support their claims provided they would give them pottahs or deeds assuring them of their rights in their particular fields. This was represented to the Government as a serious evil, which prevented the commissioners from obtaining evidence as to the claims of the parties who had been illegally dispossessed, and to give them redress. The commissioners recommended that all parties who might enter into such negociations should be declared disqualified. The Government refused very properly to entertain that proposal, and issued orders that the commissioners should investigate, along with the claim to be recorded the engaging proprietor, the right of each individual to be the holder of the various fields which he might claim to be his inheritance in the village or zemindary lands. The commissioners represented that as they were a court, and could not proceed to the zemindary to make a local investigation, it was a business they could ill perform; that it could only be done by a person who might proceed through the country and have full power to do it upon the spot; in fact to effect what is called in Madras a detailed ryotwary or individual settlement.

152. Does there exist any where under the Bengal presidency a detailed ryotwary settlement?—Yes, there has been an instance of it in Boglepoor; it was effected by Mr. Ward, who was deputed to that district to repress the encroachments of zemindars on lands to which they had no just claim; and I believe the reports represent Mr. Ward's arrangements as affording great satisfaction to the people, and to have been attended in several instances with complete success.

153. In what year was that settlement carried into effect?—The report, I think, from Mr. Ward, was dated some time in 1827 or 1828.

154. The district of Boglepoor is the only instance of such a settlement under the presidency of Bengal?—In the permanently settled districts. In the Delhi districts,

districts, the revenue officers have proceeded to make individual settlements; Mr. Cavendish and Mr. Campbell were employed on that duty.

155. Did they make a complete survey of the Delhi district?—As far as the survey had been made, it appears to have been carefully performed.

156. The settlement had not been completed?—No; they had made considerable progress; I forget the number of acres they annually surveyed, but it was a very considerable amount.

157. Can you deliver to the Committee a list of the several collectorates under the presidency of Bengal?—The returns showing the provinces permanently settled, as well as those under temporary settlement, contain the names of the districts.

158. Have instructions been sent from the Directors to purchase, as opportunity offered, a part of the zemindaries, which were originally included in the permanent settlement, with a view to place them upon that which is called the ryotwar system, in Madras?—Such instructions have been sent out, and they have been replied to by the Government; the date of the letter is 26 June 1828.

159. Is it fixed permanently?—The disposition of the authorities in this country is against any permanent arrangement; because if you make a permanent arrangement, by requiring too much, it is of all things the least permanent in the world; if you make an arrangement to enable the cultivator to improve his lands, and then assess the lands at fair jumma, the assessment may in time become a tax, and not the whole rent, which in India can seldom be satisfactorily ascertained.

160. Has any such arrangement been actually carried into effect?—A number of estates have fallen to the Government. I can give an instance of the nature of the permanent settlement when it does fall. The Government reported in 1827 the purchase of four estates in the permanently settled provinces of Bengal, which were assessed with a jumma of rupees 26,668, for four rupees. Now it is quite clear that those lands must have been entirely mismanaged, and have become of no value: there is no explanation afforded; it is merely mentioned to account for the small amount of the sale price obtained for zemindary lands sold for the recovery of arrears of revenue.

161. Does there exist under the Bengal presidency any settlement precisely of the nature of the ryotwar settlement in the presidency of Madras?—The Bengal Government have recognised the advantage of such arrangements, but they cannot successfully introduce them with their existing agency; that I am quite prepared to say. It would be a great improvement, certainly, when a zemindary is acquired by purchase, for the Government to settle with the individual cultivator, and to appoint either a zemindar to manage that property, subject to severe penalties in case of his taking more from the people than they had agreed to pay, or to appoint a government officer for that duty, who would be liable to be punished in case of misbehaviour. But when you consider the extent of the Bengal collectorates, and that the collector is constantly employed at his fixed station, it is not to be expected that an estate situated perhaps on the extreme side of his district, and occupied by a numerous tenantry, which may be acquired by purchase; another on the opposite side, and others in various directions, can be annually visited by the collector: he is necessarily confined to his office every day, receiving petitions, passing orders, trying suits, and receiving the revenue which is sent in to him by the zemindars, or enforcing

14 February 1832.

Hugh Stark, Esq.

enforcing its payment. It appears to me to be likely that the persons deputed to manage these acquired estates will soon find themselves beyond the reach of any control, and they will commit just the same abuses as those which were experienced when we had lands managed by what are termed khas officers, that is, Government revenue officers, having 10 or 15 rupees a month. The native officer cannot live upon his allowances, and of course he either exacts money from the people, or combines with them to defraud the government, and they divide the spoil between them.

162. According to your opinion, have the estates which have been managed by Government improved or deteriorated in value?—In Bengal, estates which have been managed by Government have hitherto always deteriorated in value.

163. If a person was appointed, would not the tenth afford a sufficient means for paying a responsible and sufficient officer?—More than sufficient, if the estate was sufficiently large to require the services of a separate officer.

164. The difficulty arises from the collector not being able to give sufficient attention?—Probably he never sees the property.

165. It would be necessary that there should be a proper superintendent, with sufficient pay to induce him to perform the duty well?—Precisely so.

166. Would not the tenth allowed to the zemindar be sufficient?—More than sufficient.

167. Is not the evil you have pointed out capable of a remedy?—It is capable of a remedy in that way; but if the estate was a large one the allowance of 10 per cent. would be more than sufficient; if it were a small estate it might not be sufficient.

168. According to the average size of the districts, would it not be possible to take away the surplus from the large estates and put it upon the small, so that upon the average the 10 per cent. might be sufficient for the collectors?—If you formed it into a fund, certainly; but it would be still necessary to fix the allowance according to the extent of the charge.

169. Do you suppose it would be practicable to carry such an arrangement into effect; for the Government to receive the share allotted to the zemindar, form it into a fund, and thereby to appoint persons to govern?—I have no doubt it would: you must first begin the settlement by making large advances to the people; you must re-create the village institutions, which have been destroyed by the mismanagement of the zemindars.

170. If such an arrangement were completed, do you think it would be advisable to introduce the ryotwary system?—I would say to a revenue officer, Go into a zemindary which may be under a good system of management, and you will find the zemindar governing the villages through the agency of the village institutions, encouraging the ryots to improve their land. If a revenue officer were to follow the same course he could not err; but the great defect of the permanent settlement has been, that it has induced the collector to look merely at the rules laid down for the recovery of the revenue, and seldom to consider the effects which his proceedings for its recovery might have on the situation of the people; I never saw any report of a collector in a permanently settled district where any interests not minutely described in the Regulations are considered of the slightest importance.

171. You

171. Your answer is presuming upon the good conduct of the zemindar?—Of course. I have seen a paper, written I believe by Sir Charles Metcalfe, which accurately describes the nature of private property in land assessed with the government tax: he was passing through the country with one of the natives employed in managing a large district, who, pointing to a particular village, observed, "If a revolution should arise, and I should lose my employment under the Government, there is my own village which I have purchased from its former owners, and to it I should retire and manage its affairs." He distinguished between his official rights and his private rights; but I have never been able to recover that paper.

172. Will you be so good as to describe to the Committee what is the machinery placed in the hand of the collector for the purpose of securing the revenue collection?—I cannot better explain it than in this way: the revenues are payable by instalments at certain periods of the year; I think that in the Bengal provinces there are about six instalments, in which the revenue is payable in various proportions. When the time has elapsed for the payment of one of those instalments, the collector regularly advertises the lands of the zemindar who may be in arrear; and should he not before the period fixed for the sale pay in his arrear, the collector reports to the board of revenue, and receives an order to proceed to the actual sale. Generally speaking, the threat of sale procures payment of the revenue. It had struck the Court of Directors as very extraordinary, that almost in every year more than the whole amount permanently assessed was annually advertised for sale; but when it is considered that the lands of defaulters in one district may be six times advertised, the number of defaulters to those who regularly pay their revenue may be small.

173. You confine these observations to the permanent settlement?—Yes; but in the permanently settled provinces the outstanding arrear is from 300,000 *l.* to 400,000 *l.* every year, which closes with April. The arrears are generally recovered in the succeeding six months, with interest.

174. What is the amount of revenue received from the lands permanently settled?—It amounts to 3 crore and 13 or 15 lac, as near as I can remember.

175. Confining yourself to the permanently settled districts, will you state what is the establishment of a collector?—The establishment of a collector in the permanently settled districts consists of what are called the Cutcherry omlah, that is, the establishment necessary for conducting the business of the collectorate at the collector's fixed station.

176. Of what does that consist?—I have had a list prepared. I selected the collectorate of Tipperah as a fair sample of a large permanently settled district. There is a small establishment, consisting of three officers, for conducting the English correspondence and the English accounts; these are either natives or half castes: the monthly salary allowed to these officers amounts to 115 rupees. The omlah or native establishment consists of two sheristadars, who are the native chief officers: the head native sheristadar receives monthly 70 rupees, or about 7 *l.*; the assistant sheristadar receives only 25 rupees, or about 2 *l.* 10 *s.* There are two record-keepers, who receive each a salary of 30 rupees a month; a treasurer, who receives 40 rupees; a Persian moonshee or secretary, who receives 50 rupees. These

14 February 1832.

Hugh Stark, Esq.

These officers have the aid of about 19 or 20 accountants and writers of various descriptions, receiving from 15 to 17 rupees a month.

177. How many Europeans are there generally?—Usually, in a permanently settled district, there is only one European officer, the collector; sometimes they get an assistant, but very seldom in Bengal.

178. How do those officers arrange the duty which they have to perform; what are the different portions of duty assigned to each of those officers?—The duty of the sheristadar is to control the whole departments of receipt and disbursement: there is a separate establishment for the treasury; the treasurer is generally in the receipt of 30 or 40 rupees a month, and it has been found that the persons who obtain that office are generally native bankers, who expect to gain some advantage from the command of the public money.

179. What balance does he keep in his hands?—The law requires that the money should be kept in the treasury, and that he shall keep no balance in his hands; but it would appear, from a number of defaults which have occurred of late years, that in practice the treasurer always retains a large balance, from which he derives a profit, contrary to the Regulations.

180. In the collection of the revenue does not the collector himself remain at the head office?—It is the practice for him to do so, unless any important matter should draw him from the head station.

181. How is the collectorate divided?—It is divided into pergunnahs, which were formerly under the charge of tehsildars, or native collectors; but the tehsildars were all reduced in 1808. I believe that orders were sent from this country, while Mr. Tierney was President of the Board of Control, to reduce every unnecessary expense, owing to the pressure on the Indian finances occasioned by the Mahratta war. Those orders were carried into complete effect, so far as regards the tehsildary establishments in Bengal, and it was expected that the zemindars would be obliged to proceed personally to the head station, and communicate with the collector personally, and by that means it was hoped that the zemindars would be relieved from the impositions to which any favours they might require from the local officers exposed them. But it appears that a new description of abuse has sprung up which was not contemplated by the Government; namely, that those zemindars do not or cannot proceed six or seven times in each year to the collector's fixed station, and they have therefore been in the habit of remitting their revenue by native bankers, vakeels or attornies, at the head station; those agents have frequently withheld payment of the money remitted to them, and thereby occasioned the sale of the zemindar's lands for a default. Instances have frequently occurred when the agents, through their connections or dependents, have become themselves the purchasers, and ruined the parties who confided in them. The evil cannot be remedied but by judicial proceeding, which would probably not be terminated for several years.

182. Can you inform the Committee what has been saved by the reduction of the tehsildars?—They have been gradually reduced in Bengal; they were on much lower allowances than the same description of officers receive in the upper provinces. I think that the reductions altogether, from 1803 to 1808, cannot have been above 10,000 rupees a month.

183. With

14 February 1832.

Hugh Stark, Esq.

183. With respect to those districts which are not included in the permanently settled districts, what are the differences in the system of collection?—The districts in the provinces not permanently settled are managed by a collector, who frequently has one or more European assistant collectors. The native establishment at the collector's principal station is similar to that of a collector in a permanently settled district. The pergunnahs, or subdivisions of the district, are placed under the charge of tehsildars, who have each an establishment of officers to assist them in collecting the revenues from the parties who have engaged to pay them; the tehsildars remit their collections to the collector's treasury. The advantage of this arrangement is, that if the tehsildar is a good officer, the collector is immediately informed of every occurrence which is likely to affect the prosperity of the country, or its tranquillity. In a permanently settled country the collectors seldom know anything of a feud in joint estates, of which there are a great many in the Behar districts, until there is an arrear of revenue, and then the law of sale immediately produces other evils which are greatly to be deprecated.

184. In the districts to which you last alluded, is the chief collector in the habit of remaining at the central office?—He proceeds through his district on all important occasions, and in that case he will leave his assistant at the principal station; he would only employ his assistant when his own presence was necessary at the fixed station, but that is a point on which the collector would exercise his own discretion.

185. Does the scheme which you have just detailed prevail generally throughout the upper districts of Bengal?—Generally so. There is now a new arrangement; government have abolished all the boards of revenue, excepting the board at Calcutta; the board in the Western Provinces has been abolished, and the board in the Central Provinces. Commissioners of revenue and circuit, who have each of them two or three collectorates under their charge, control the collectors and discharge all the duties that were before confided to the several boards of revenue, but there is reason to fear that the revenue commissioners have too much business on their hands, that they are unable to carry on the affairs with sufficient dispatch.

186. What number of natives have you generally employed under an average collectorate in those provinces?—I have selected one of the divisions of Bundlecund; it is a large district, and it appears that there are ten native collectors or tehsildars employed under the collector of Bundlecund, who have each of them an establishment of native officers who receive from 30 to 10 rupees a month; the native collector receives 150 rupees. Besides the cutcherry establishment, each tehsildar has from 40 to 50 peons employed under him, for guarding the treasure and serving notices on defaulters.

187. What is the usual character of those collectors; do they perform their office honestly?—Where the European officers are careful in selecting fit persons, the tehsildars are very valuable public functionaries; many instances annually occur in which rewards are given to them for good behaviour, indeed few of the tehsildars now are found undeserving of these honorary rewards.

188. Is it found that they are competent and honest servants upon the whole?—Upon the whole they are a valuable class of officers, and the practice of bestowing rewards has the advantage of bringing their conduct immediately under the notice of Government.

189. Do

14 February 1832

Hugh Stark, Esq.

189. Do you conceive that the collection of revenue might be improved by a greater number of natives being employed in the service?—No doubt it would facilitate the collection of revenue very much. In the districts not under permanent settlement, the natives employed under the collector appear to be active revenue officers, for, generally speaking, the arrears, if there is no failure of the crops, are very inconsiderable in those districts.

190. Will you give the Committee, if you have the means of knowing, what is the average amount of revenue under the presidency of Bengal, distinguishing the districts under the permanent settlement from the districts not under the permanent settlement, and whether it has increased or decreased much within the last charter?—For many years past it has been difficult to ascertain the actual amount of the revenue derived from the districts, in consequence of mixing up the revenues of districts permanently settled with those of districts temporarily settled; but since the country has been placed under the management of the Calcutta board, the Government have again separated those territories. It appears that the jumma or demand of all the districts permanently settled, in 1828–29, was rupees 3,28,45,100; upon the 30th of April 1829 there was outstanding upon that demand an arrear of about 35,00,000 rupees.

191. Are you aware whether, within the last charter, the land revenue in those settled provinces has fluctuated in its collection?—The recourse to sales for the recovery of revenue has decreased of late years.

192. To what cause is that to be ascribed?—It is principally to be ascribed to the strong desire expressed by the authorities at home not to have recourse to that mode of recovery but in extreme cases.

193. Do you conceive that the land revenue has fluctuated much in its collection in the last charter?—In the districts permanently settled it ought not to fluctuate; before the end of the year it is either all collected or the land sold for its discharge, and which by the present plan may come into the possession of Government. I have given an instance of four mehals being purchased by government for four rupees; of course all the arrear due upon those lands was lost; but I cannot state how much the government lost, as it is not explained in the correspondence.

194. Do you think that the collection has improved itself within the last short period, or that the revenue is now more easily or worse collected than it has been?—There is no appearance of its being worse collected, certainly.

195. What is the case with respect to the other districts under the Bengal presidency?—The provinces not permanently settled, including Delhi, were assessed in the year 1828–29, jumma, of rupees 3,38,52,827.

196. Have you any thing to remark upon the course of the revenue for the last few years, as to whether it has been improving, or whether it has been receding and falling off, speaking generally, without stating the actual sums?—In the districts permanently settled, there can be no increase of revenue in those estates which were included in the arrangements of 1793; but there were a great number of estates then held upon quit-rents, which have lapsed to Government on failure of heirs, and also lands that were held without good titles: since the permanent settlement the increase arising from those two causes appears to be about 13 lacs of rupees. In the districts under temporary settlements, the revenue necessarily fluctuates

fluctuates with the state of the seasons, because if a zemindar who has contracted to pay a certain amount is prevented from collecting his rents, it is of no use selling the estate; Government must grant the requisite remissions: unless the default is occasioned by improper conduct on the part of the zemindary manager, the Government in all cases grant the requisite remissions; but there is upon an average of years a very exact realization of the amount agreed for. I believe that the loss upon all those engagements does not amount to more than 2 or 2 ½ per cent.

197. Is it the general result, that the revenue in those districts, taken at an average, has remained pretty much at the same point?—Government now look for an increase of revenue from extended cultivation, rather than by requiring from the lands occupied and cultivated a heavy revenue. The Government have greatly limited their demands upon portions of country since the year 1808, when it was intended to conclude permanent zemindary settlements in the Ceded and Conquered Provinces; but the revenue has greatly increased since that time, from the extension of cultivation.

198. If, subsequently to permanent settlement, jungle or waste lands should be brought into cultivation, would that land be taxed?—It depends upon whether it was included within the boundary of the district permanently settled; if it was not included, of course the Government have a right to tax it: there have been many disputes upon it. I cannot give a better notion of the opinions of zemindars upon that, than by saying that many of the zemindars, whose lands border upon sunderbunds, claimed the sea as their boundary when it was 60 or 70 miles off. The Government resisted those claims; but in cases where the zemindar was allowed to include the improved waste within his boundary at a fixed rate of half a rupee per begah, the right of the cultivators to hold the lands at a fixed rate was at the same time secured to them. The zemindar as proprietor can only demand from them one-quarter rupee in excess of the government jumma; so that the original clearer of the land holds it subject to a fixed rent of three-quarters of a rupee, and if it yields him a profit of 100 or 150 per cent. that is his profit.

199. Is it not the case that there is hardly any land without an owner?—The zemindars are very sweeping in their claims. If their estates bounded upon a forest, and they had encroached upon that forest, it still remained their boundary, and those zemindars frequently asserted their claim to the forest itself; those were of course resisted by the Government.

200. Will you inform the Committee in what part of Bengal the operation of the salt monopoly is carried on?—I think that it extends only to the districts permanently settled.

201. Is not the manufacture principally about the mouth of the Ganges?—It is manufactured in Cuttack and the mouths of the Ganges principally.

202. Will you state the mode of manufacture?—There are six manufacturing agencies, which employ a vast number of people, who contract to make the salt.

203. What is the establishment at those agencies?—It depends entirely upon the extent of agency; for instance, the whole district of Cuttack was once one district, now it consists of two, north and south.

204. Is each agency attended by an European salt agent?—Yes; an officer of the Company.

205. What

14 February 1832.

Hugh Stark, Esq.

205. What officers has he under him?—He has generally the aid of one or two uncovenanted officers, and sometimes an assistant in the service.

206. What officers are there under them?—They have a regular establishment of native officers, which I am not able to enumerate from memory.

207. Can you inform the Committee what the total amount of population employed in those agencies may be?—It is impossible to say.

208. Is it large?—Immensely large.

209. Can you say to about what extent it is?—I cannot: the salt agents, however, represent that the natives who are employed in the manufacture of salt are also cultivators; and the season of manufacture being at one period of the year, and the season of cultivation at a different period, the molungees, who are generally cultivators, are probably employed during the whole year. There are generally three men engaged in working each kallery; that is a place for preparing the brine, a place for boiling the brine when prepared, and completing the operation.

210. Does the Company's chief officer enter into contracts with those natives for the manufacture of the salt?—Entirely so.

211. When the salt is delivered, how is it disposed of?—It is carried to the government warehouses in the districts, and when the salt is sold at Calcutta the purchaser purchases the salt to be delivered to him at any agency he may think proper.

212. What is the present amount of the salt monopoly in Bengal?—It has increased very considerably of late years, but I should say that it would be safe to reckon upon an average receipt of about 1,400,000 *l.*

213. Has it not considerably fallen within the last two or three years?—There had been a large rise in the price of salt, and it subsequently fell, but I do not think that the government have got less than 1,400,000 *l.* a year from this source.

214. Do you conceive that the course of the revenue has been to rise within the last few years?—Since the Regulation establishing the superintendent of salt chokies, the salt police have been established upon a better footing: smuggling has decreased, and the revenue has gradually improved.

215. Is the labour of those molungees perfectly free?—It is understood to be perfectly so.

216. Is no coercion used?—It has been represented by witnesses that coercion is used, but I find that the same sort of coercion is used by free merchants; it is the coercion which would be used in this country to oblige men to fulfil their engagements. The Government have tried the experiment whether salt might not be manufactured at the same cost by individuals; Mr. Kydd, I think, tried it, and it entirely failed.

217. In point of fact, in Cuttack, is not the manufacture of salt a difficult manufacture; is it not done by washing the earth?—Yes, in some parts; that description of salt is not boiled.

218. And further down, is it not less difficult?—It is there called cultivation, because it is so easy; it grows almost naturally.

219. What is the comparative merit of those two salts?—That can only be judged of by individuals who have seen each; the value of unboiled salt has increased within the last few years.

220. Has

14 February 1832.

Hugh Stark, Esq.

220. Has the condition of the ryots generally improved since 1793?—The evidence upon that point is very conflicting; I believe, in referring to the evidence of Ramohun Roy, it will appear that they are in a much worse condition than they were in 1793 generally. The evidence, I think, is decisive upon that point, that the condition of the cultivators is much worse; in fact, the power of taxing the people was confided to the zemindars.

221. Does it appear that the government have taken very little cognizance of what the zemindars have done?—Certainly, the government have taken no cognizance whatever; I can give an instance of a trial respecting the right of a middleman in Burdwan; I met with it in the report of Mr. Prinsep, who was deputed to inquire into the tenure that had been created illegally by Rajah Burdwan subsequently to 1802, and which had produced great inconvenience, because one set of judges upset the tenure and the other supported it; and the Government passed a regulation, in 1819, confirming the tenures. Mr. Prinsep was deputed by the Government, and in six weeks he obtained the information to enable the Government to frame the Regulation; of course he could not have gone into any detail in completing the inquiry in so short a time. He stated the results of suits between the middlemen and the ryots, in one or two cases, and it appeared that one of the middlemen had tried a case where the ryots had disputed his right to re-assess the lands; they claimed the right to hold them at the pergunnah and village rates. The case was tried by a native judge denominated sudder aumeen, who decided in favour of the ryot, and fixed the amount of the pergunnah rates. The middleman or putnedar appealed to the registrar of the court, who sent a native surveyor to measure the fields. On the report of this man, the registrar reversed the decision of the sudder aumeen, and the dispute ended in a decision which added more than 100 per cent. to the taxes of those unfortunate ryots.

222. Is this rajah whom you have named in point of fact a zemindar?—He is; he holds lands for which he pays the Government a jumma of 30 lacs of rupees a year, and he has introduced a settlement within his lands, by which the cultivators are three or four degrees removed from the zemindar. The rajah created putnedars; these in their turn divided their tenures into durputners, and these latter into sepitnees, each class reserving a profit; all the profits of these middlemen are squeezed out of the unfortunate cultivators.

223. If the rights and privileges of the ryots, as they existed in the year 1793, had been maintained, would it have been possible to create such a sub-tenancy as you have described?—Not without actual rebellion in the country, because those people would have resisted; if Government had defined the land-tax, and issued pottahs to every man, specifying the extent of his lands and the amount of the tax, the lands would have acquired value which they do not now possess.

224. Have you any means of knowing what those intermediate holders are; do they reside upon lands or in towns?—I have no means of knowing; but it may be inferred that the man who first takes the lands and divides them into durputnee tenures, finds it inconvenient to collect in detail, and may be supposed to reside at a distance from the tenantry. It may be presumed that the middleman who comes into contact with the ryots and collects the land rent, is alone resident.

225. The

14 February 1832.

Hugh Stark, Esq.

225. The Committee have been informed, that at the original settlement in 1793, it was regulated that the value of one-half the gross produce of the land should be reserved to the Government, and the other half reserved to the ryot, a portion of one-tenth only for the zemindar; if that distribution was correctly made at the time of the original settlement taking place, in what way can so large an increase of value have arisen as should have enabled those intermediate holders to grow up?—I am of opinion that the calculations that the Committee have received of the divisions of crops, as between the Government and the cultivators before 1793, are mere estimates. There was never, I believe, in Bengal, any actual division of crops between the ryots and Government; but the supposed quantity belonging to government was thrown into money, and that was the assessment upon the village. The cultivators were decidedly interested in keeping the Government share as low as they possibly could, and if the village officer and the cultivators succeeded in deceiving the European and native collectors employed in settling the revenue, the money payment would not amount probably to a third of the produce. In some districts of the Madras territories, where they realize the revenue very much in that way still, by what is termed an aumany division of the crops, the complaint of the collectors is that they are deceived by their native officers, who combine with the ryots in deceiving the Government. Of course, if a ryot gains 20 per cent. by bribing the aumany officers, he may reserve a clear gain of 15 per cent to himself.

226. Is it your opinion that those were very much undervalued?—Yes.

227. And that the amount reserved to the zemindar was never so much as it ought to have been?—It could not have amounted to half the crop as a general rate.

228. With reference to the comparative state of the population, as to their well being now and at former periods, are you aware that the abkarree duties have increased?—I am perfectly aware of it; but there has been a great improvement in the agency employed.

229. Do you draw any inference from the increase of those duties with respect to the condition of the people?—I should say that the increase of those would show the increase of immorality in the people, as receipts from the excise on spirits in this country is never largely increased without a similar evil.

230. Will you be so good as to tell the Committee in what parts of the presidency of Bengal the opium monopoly has been established?—The opium monopoly exists all over British India.

231. Where is the opium grown?—The opium is grown in the Behar and Benares provinces principally.

232. What is the system under which that cultivation is adopted?—The opium agents are aided by the collectors of districts, who are termed deputy opium collectors; they enter into arrangements with the cultivators for specific portions of the poppy collection: the Company pay the cultivators 3½ rupees for poppy juice per seer, which weighs rather less than 2 lbs. A discussion arose as to the consistency of that juice, and Mr. Fleming proposed a plan by which the difficulty might be removed, and it appears to have answered very well. Of late years I have seen no complaints on the part of the cultivators, and the cultivation has been very largely extended, with a view of competing in eastern markets with the opium of Malwa and Turkey.

233. Has

233. Has the cultivation conducted by the natives all the advantages of that made by the Company's officers?—It is so, if the question relates to Malwa.

234. After the opium has been made, is it delivered into the Company's warehouses?—It is delivered in a crude state; when all the opium is delivered in, the accounts are regularly adjusted.

235. Is that monopoly at present a well enforced monopoly?—I believe it is very effectual; there may be some smuggling, but it is merely for the supply of the neighbouring districts. The Hindoos use little opium.

236. Has it not been affected of late years by the cultivation of opium in other parts of India?—The Company have relaxed in the price of the opium: their object now is to sell at a low price, to enable the merchants who purchase the opium at the Calcutta sales to compete with the merchants who procure their supplies from Malwa and Turkey for the China markets.

237. Is that a change which has taken place within the last few years?—Yes.

238. What is the amount of the opium revenue?—It is very difficult to state the precise amount. When the Government reported the result of their arrangements in Malwa, it appeared, from the revenue despatches and statements sent home, that a profit had been realized of about six or seven lacs of rupees: in revising the Malwa opium accounts in the finance department at the India House, instead of six or seven lacs, it appeared to be probable that the profit exceeded 50 lacs. There was a great deal of confusion in the first years of the opium contracts in Malwa, owing to the inexperience of the Bombay agents. The Bengal agents wound up the concerns, which had been very badly managed by the Bombay agents.

239. Does the price of opium which is of the same quality vary much from time to time in China?—The prices in one year fell very considerably; I think it was 1827.

240. Owing to what circumstance?—From a large importation of opium from Malwa and other quarters. The quantity of capital employed in China, in purchasing 4,628 chests in the year 1821–22, amounted to 8,314,600 Spanish dollars; in 1827 there were 7,430 chests imported and sold for 7,352,150 Spanish dollars.

241. Do you think that the China market would take a larger supply of opium than that now sent?—It has done so, and the supply is still increasing.

242. Do you conceive that the value of that monopoly has been latterly increasing to the Company as a source of revenue?—The finance committee reckoned that the government might derive from that source about 1,000,000 *l.* a year.

243 What was the usual revenue derived from it before the monopoly was infringed by the native cultivation?—I think it averaged from 70 to 90 lacs of rupees; but it has always fluctuated.

244. Has not the quantity of opium imported into China from Turkey increased since the cessation of the war?—I do not think that the quantity from Turkey has increased so much; because the supply of Malwa has been enormous. I think that in one year the smuggled opium from Malwa into Demaun amounted to between 9,000 and 10,000 chests.

245. Is the growth of opium in Malwa constantly increasing every year?—It has increased very much since the pacification of Central India.

14 February 1832.

Hugh Stark, Esq.

246. Is there any limit to the growth of opium in those districts?—Mr. Swinton, I think, has estimated, that when opium is under 40 rupees a punsurree weighing 10 lbs. the cultivation of the poppy must decrease.

247. What is the lowest sum at which it can be grown in the Bengal presidencies?—About 18 rupees for the same quantity that costs 40 or 45 rupees in Malwa; I speak of the price allowed to the cultivators in Behar and Benares, which may average from 17 to 18 rupees for 10 lbs. of opium juice.

248. According to the information that you have obtained, can opium be cultivated more cheaply, and with greater advantage, in Bengal than in any other part of the East, taking into consideration both quantity and quality?—The Bengal Government have never attempted to produce opium with reference to its medical qualities, but entirely with a view of meeting the taste of the Chinese.

249. The question refers to the cost of production?—The cost of production is much smaller in Bengal.

250. Supposing that the Government in Bengal were to find the means of obtaining the full rent of all land under the growth of opium, by which the ryot should be left only in possession of the cost of production, calculated as low as if land was in rice, or in any other commodity, and supposing that the Government could possess itself, in the shape of rent, of all the remainder of the product of the growth, if it was possible for them to collect the whole of that great surplus, and to permit opium to be grown freely by every body who wished to grow it, in any part of their territories, and to permit a free export of it, would they, if it was possible to realize that state of things, obtain a greater sum than by their present monopoly?—It would be necessary for the Government, in that case, to break through the permanent settlement; because, upon all the lands permanently settled they have limited the government revenue. I have considered this subject merely with reference to the introduction of an excise tax on the plan adopted in this country with respect to hops.

251. Could it be got in the nature of rent?—No, that I think would be very difficult under existing circumstances.

252. The whole of the opium collected under the presidency of Bengal is entirely for exportation. Supposing the trade was thrown open completely, and the Company were to put a large amount of export duty on the article, do you think it would equal the amount of revenue that the Company now derive from it?—It is the practice of the Governments in Central India to levy their tax upon opium in that way; they also levy small transit duties, but the great proportion of the revenue is levied upon the land.

253. Will you give the Committee rather a more detailed explanation of the course in Malwa pursued by the petty princes?—It would be difficult to state from memory. The cultivators in Central India pay a direct land-tax, probably three or four times the rent that the ryot now pays for his poppy lands in Bengal. The cultivators incur all the risk of cultivation and pay the Government that high rent. The native government, I believe, allows the cultivator to collect the poppy produce and to deliver it to the merchants, who prepare the opium for the foreign markets. When the manufactured opium passes into another territory, I believe it is the practice of the State from which it is exported to levy a transit duty in addition to the land-tax.

254. If

14 February 1832.

Hugh Stark, Esq.

254. If there was a similar system in Bengal, how do you think it would affect it?—If the Government of British India could exercise the same despotic authority, they might secure a considerable revenue from opium, but if individuals are allowed to engage in the cultivation of the poppy on their own account, it would be difficult to enforce the restrictions which would be necessary to secure the revenue.

255. According to the course that we have pursued in the East, that is, taking from the ryot the produce of the land, leaving him only the cost of production, what difficulty is there?—You might do it by extending the principle that already exists, certainly, because, under the Opium Regulations, the cultivator is entitled to hold his lands at a fixed price; being still employed in cultivating opium, the zemindar's claim would also remain stationary; therefore, if the cultivators or other proprietors chose to run the risk of engaging to pay to Government, in the form of an additional land-tax, a compensation for the revenue now derived from the monopoly, a revenue might be secured to government in the manner proposed.

256. Is there not another possible course of treating the cultivation of opium, as the cultivation of hops is treated in this country, and assessing an excise duty upon it?—The poppy lands are under the superintendence of Government officers, who send in to the agents periodical reports of the probable produce, as a check upon the cultivators, and to ensure the delivery of the whole produce to government.

257. Does the Government receive it?—The local officers receive the opium juice from day to day; it is generally collected by the women and children. There is an incision made in the plant, and the juice which exudes is collected every morning by the women and children. This employment for the families of the poppy cultivators is a considerable advantage to them.

258. Does not that advantage belong to the nature of the crop?—Certainly.

259. Is not the payment to the cultivator according to the quantity?—Yes.

260. Has it not been increased?—It has been increased from time to time to induce the cultivator to extend his cultivation.

261. Is there not a great premium upon the cultivator to vitiate the opium in some way, in order to produce rather quantity than quality?—It no doubt has been the case, but the simple test introduced by Mr. Fleming enables the agents to detect abuses; they can easily ascertain when any foreign matter has been mixed with the opium, but if it is vegetable substance, they cannot tell what it is.

262. If the Company did not interfere with the crop, and sell it, would not the quantity be left to the cultivator, and would not the quality be better?—I question that, because we seldom find that the cultivators bring their articles to market on their own account. That has been one of the great difficulties in the culture of indigo; the cultivators have never generally been in a situation to bring their article to market on their own account.

263. If the Government in this case ceased to be the merchant, another merchant must come in, and would not that merchant look after his own interests, and alter the quality of his opium?—He would have his factories, and employ his gomastahs, just as the Company now do; those gomastahs would not be under better control than the Company's officers now are. The merchant might have the advantage of better agency in the manufacturing station than the Government have.

264. Would

14 February 1832.

Hugh Stark, Esq.

264. Would not the competition be useful?—It is probable that better opium would be manufactured, if the manufacturers understood their business; but with respect to the cultivators, I question whether the change of system would secure to them all the advantages which they now enjoy.

265. Do you know anything of the Regulations by which a duty is collected upon opium by native princes?—I do not; I do not believe it is done by any fixed regulation of the Government, the demand upon the ryots is fixed annually.

266. Is it fixed according to the quantity of the crop before it is planted, or while the crop is growing?—I am not aware of that; I have never seen any detailed explanation of the transaction; I think it is upon the land; it requires a very superior soil to produce opium in perfection.

267. Do you suppose that the native princes charge a higher rate upon the land?—Certainly higher; that is the inducement to them to encourage the growth of the poppy plant.

268. Will you be so good as to state to the Committee whether the trade is conducted in such a way as to make an export custom duty practicable upon opium?—It would depend upon many circumstances; we have had no experience of such a commerce in the Bengal territory. The experiment is now making in the Malwa produce, which is allowed to be exported through Bombay, on payment of a custom duty.

269. Is there much opium consumed within the British provinces of India?—It is understood that very little is consumed in Bengal by the natives.

270. Is there a disposition in the people to consume it, or is there an objection to the high price?—If there was desire for the drug, the high price would not repress it, as the smugglers supply opium very cheaply.

271. Is there supposed to be much consumption of opium within the British territories of India?—I cannot give any distinct answer to that question, but I have always understood that the Hindoos consume very little opium, and in fact that they generally use it only as a medicine.

272. Are there any means of knowing whether they would increase their use of it?—None that I know of.

273. Will you be so good as to explain to the Committee the nature of the sayer duties in the residencies of Bengal?—The term sayer is very often used without meaning anything more than that it is a duty; what Lord Cornwallis meant by sayer duties, was the irregular collections by provincial officers; when the permanent settlements were made, all sayer duties were abolished, and carefully excluded from the revenue. Since the abolition of the sayer duties, the regular inland custom duties have been established. The amount of these collections are fully stated in Regulation XV. of 1825; town duties were afterwards established under Regulation X. of 1810, in the principal cities and towns in the presidency of Bengal.

274. Is there not a portion of the revenue latterly included under the head of sayer?—In the finance departments the term is retained; the sayer duties mentioned in the accounts as distinct from abkarree, are probably town duties, and duties at bazaars and markets. In Tirhoot there is a revenue derived from the saltpetre, that is properly a sayer collection; in the other districts the duty was understood

to

14 February 1832.

Hugh Stark, Esq.

to have been transferred to the zemindars, but in Tirhoot it was expressly reserved by Government, who continue to collect it from the saltpetre manufacturers.

275. Is that in the nature of an excise?—The Government claim a share in the produce, I believe a quarter, and that is valued in money; in the other districts, where the right was not reserved, the zemindars no doubt levy it from the manufacturers.

276. Can you give the Committee any detailed explanation of the collection from the saltpetre produce?—The sayer collected from salt by the zemindars in Tirhoot, and various other districts favourable to its formation, was fully investigated in 1819. It was ascertained that in Tirhoot alone had the Government reserved this right; but the inquiries produced some benefit to the manufacturers, called nooneahs, who, it was found, instead of being required to pay a sayer duty either in kind or in money, were forced to work for the zemindars in other employments than the manufacture of saltpetre, which they only manufactured when the zemindars permitted them to do so. It is now understood that the zemindars perceive the advantage of allowing the nooneahs to manufacture saltpetre, as the sayer collections more than repay them for the misapplied labour of the nooneahs.

277. With respect to those duties which you have mentioned under the name of sayer, levied from bazaars and other sources of that description, are they in the nature of licences, or how are they levied?—I am not certain whether it is for permission to occupy a station in the market, or upon the goods sold; I have never seen any detail of the collections.

278. Have you anything particular to remark upon the amount of the sayer, whether it has been increasing or decreasing?—Unless I had the finance statements before me, I could not tell whether they included town duties; but I think that those collections, as well as the duties levied at bazaars and markets, are included in the receipts which continue to be designated as sayer duties.

279. Do they exist in most of the large towns?—The town duties are collected at the principal cities and towns.

280. Are they very general? I should say, judging from what I have known of the amount, that they only extend to a few articles of general consumption; those articles are enumerated in Regulation X. of 1810.

281. With respect to the other head of duty, the abkarree, of what does that consist?—It is an excise duty upon all intoxicating drugs and liquors.

282. How is that levied?—It is partly by a licence issued to the retailers, and partly by a fixed tax upon the drugs and liquors; I believe in some instances the licence stipulates for a daily payment. The abkarree collections are very minute, and are made by a separate establishment, under the control of the collectors of the land revenue.

283. What is your opinion of the effect of those duties?—The revenue derived from this source appears to me to be unobjectionable, as it may tend to diminish the consumption of ardent spirits and intoxicating drugs.

284. Are those duties levied in the same manner and to the same amount as they were by the native government?—The duties are clearly defined upon all the articles charged. I am not aware that the same practice was observed by the native governments.

14 February 1832.

Hugh Stark, Esq.

285. Is a larger amount collected from the people than goes into the pockets of the Government?—I have no doubt that in the form of bribes, the native officers receive considerable sums from the dealers. This is the usual mode in which they increase their incomes: it is paid to them as hush-money for some favour at the expense of the revenue.

286. How far does the farming system extend?—The farming system is entirely confined to Madras.

287. In Bengal, is it levied by revenue officers?—It is the practice in Bengal to levy the duties at the established government custom-houses in the interior. When the duties are paid, a permit is issued by the collector allowing the goods to pass to the place of their destination. What the merchants complain of is the frequent stoppages to ascertain that the goods correspond with the permits; they do not complain of the amount of the duty so much as of the stoppages.

288. Can you say whether that revenue has been found to increase with the advancement of the population in the country?—The rate of duty has in several instances been reduced, for instance upon piece goods the duty was reduced very considerably, I think two-thirds.

289. Has the revenue of the abkarree been found to increase with the progressive advancement of the population?—It has improved very much of late years; a great deal depends upon the exertions of the European officer; if he is indolent, the native abkarree officers take advantage of it, and of course much that is collected from the people never reaches the public treasury.

290. With respect to any other duties, what internal transit duties are there under the presidency of Bengal?—The duties are all enumerated in the schedules to Regulation XV. of 1825, which enumerate the articles subject to custom duties, as well as the amount of the duty on each article, either in the form of sea custom or inland custom duty.

291. Do you conceive that they are found to be a vexatious sort of revenue?—Mr. M'Kenzie, the territorial secretary, prepared a memorandum upon that subject when Regulation XV. of 1825, was under consideration, in which he fully discussed the question, and I think if that document were to be submitted to the Committee, it will be found to contain more information than it would be possible for any person to give in evidence.

292. Where are they levied principally?—They are levied at the custom-house of the district in which the merchant resides, who has occasion to send goods to another part of the country; for instance, if the goods were imported at Calcutta, the duties would be levied at that port, and a permit given to the merchant, which would free them through the provinces; so long as the goods continued passing through the British possessions they would be subject to no further taxation.

293. With respect to the sea customs, will you state the principal articles on which they are levied?—Upon everything, excepting certain articles of British manufacture; for instance, metals, the produce of this country, are entirely exempted from duty. The Regulation XV. of 1825 contains the tariff, and shows what articles are exempted from the payment of duty.

294. That

294. That is of course a revenue that must depend on internal commerce?—Yes; Mr. M'Kenzie's proposition was to do away with internal duties, and to levy a duty only upon imports and exports.

295. Are there any other minor sources of revenue which it occurs to you as worthy to mention?—The stamps in Bengal are an improving revenue; they have very considerably increased under the Regulations which have passed since 1824.

296. How do they operate as a source of revenue?—There are a variety of opinions upon that point; the merchants of Calcutta resisted the imposition of those duties to the uttermost of their power.

297. Have you reason to believe that it is easily levied?—The stamps are distributed by licensed venders. An inquiry was made by Sir Thomas Munro, while Governor of Madras, to ascertain the effect of stamp duties on the transfer of property, and the ordinary transactions between man and man; and the judges generally reported that the use of stamped paper had considerably checked the forgery of deeds and other documents; so far as the tax was levied on law proceedings, the judges were decidedly unfavourable to it.

298. Is it levied on all transfers?—Previously to 1824 landed property assessed with the government revenue was transferred without the use of stamped paper; but all transfers are now required to be written on stamped paper. Persons purchasing lands at public sales pay the stamp duty.

299. Does that include all the lands?—No; there are a great quantity that are excluded from the payment of land revenue. These lands are of greater value than the assessed lands, in proportion to their extent; and as the price of the stamp varies with the amount of the purchase money, the transfer of the lands exempted from land revenue are thus indirectly made to contribute to the public resources.

300. How is that levied?—The duty is in proportion to the price obtained for the property; it is levied through the agency of the collectors of land revenue.

301. That is a revenue of our creation?—Entirely so.

302. Is it a recent one?—It was introduced in 1797, but was then principally confined to law proceedings; in 1824 the principle of the English system of stamp duties was adopted in Bengal.

303. What instruments are liable to stamp?—Contracts, deeds, conveyances, leases, powers of attorney, policies of insurance, promissory notes, receipts, bail bonds and legal proceedings.

304. Is there a stamp on small payments of money?—Yes; bills of exchange under 25 rupees, and receipts under 50 rupees, are only exempted.

305. How far do these operate?—In all the provinces.

306. Is the country in such a state as to make it possible for stamps to be distributed easily?—Certainly; the stamp venders receive their supply from the collector; the venders give security for the stamps, and distribute to the parties who require them; the venders receive a per-centage on their respective sales, much in the same way as is done in this country.

307. If a stamp receipt is to be given for every small payment, is the country in such a state as to enable individuals that want stamps to obtain them?—I do not believe that it is enforced to the extent supposed in the question.

308. Do

14 February 1832.

Hugh Stark, Esq.

308. Do many persons expose themselves to penalties?—Not many, as far as I have had an opportunity of knowing.

309. Are they in fact much used?—The use is increasing; the payments between the ryot and the common dealer would not amount generally to a sum requiring a stamp; their transactions are generally for small sums.

310. Do the natives know what a stamp is?—Yes, they know every thing that bears upon their interests, and more particularly the use of legal stamps. In one of the courts in the interior it was some time since discovered that certain natives had instituted mock suits, the proceedings in which were written on stamp paper of low value, which the parties contrived to change by altering the stamp into one of higher amount; the parties carried on the litigation for a certain period, and having adjusted their disputes without a decree of court, the parties claimed the repayment of the stamp duties; and in the instances in question they actually received the value of the forged stamp.

311. Do any remarks occur to you upon the revenue in general in the presidency of Bengal, that you would wish to make to the Committee?—The only remark I have to add is, that I am afraid that in the permanently settled districts we shall never be able, under the existing regulations, to protect the people from undue exactions; in the Upper Provinces we have very little information as to the success of the arrangements which were devised by the late Marquis of Hastings for revising the assessment village by village, and for establishing moderate and fair assessments in those immense districts; the progress has been very slow, and Lord William Bentinck almost despairs of success with the present agency. If such a system could be fairly introduced, I have no doubt that the land-tax, if equally divided, would in time leave the holders a valuable interest in their respective properties.

312. Do you suppose that the system could be very much improved without an increase in agency?—The most important measure would certainly be an equal and fair assessment. It appears to be the only plan by which rights can be defined, without which no agency can be useful in protecting the rights of the subordinate landholders. The expense of a survey assessment would be large; but it has been overlooked that all questions of disputed rights must be decided in the courts of law. The expense of this litigation must be heavy, and is in fact a tax upon the people.

313. With respect to the presidency of Madras, will you point out to the Committee any differences which may exist in the system of the collection of the revenue under that presidency from that which you have detailed as the system in the presidency of Bengal?—At Madras, wherever the Government let the lands to the cultivators, and the assessment is made upon each field, and care taken that the tax is moderate, we find that, by the improvements that have been effected by the ryots, and by extension of cultivation, the revenue has improved since the survey rates were reduced. The reductions that have been made by Sir Thomas Munro since 1821, are now fully covered; this has been effected by the increased cultivation; and in good seasons the revenue is collected with great regularity. In Coimbatoor, where there are upwards of 100,000 tenants holding directly of the Government, the revenue in such seasons has been collected with a less loss than one quarter per cent.

314. Will

14 February 1832.

Hugh Stark, Esq.

314. Will you mention those districts in which the permanent settlement is established?—The provinces still permanently settled in Madras are the Northern Circars, consisting of Ganjam, Vizagapatam, Rajahmundry, Masulipatam and Guntoor, including Palnaud; and in various other districts lands are held under zemindary tenure.

315. What is the settlement prevailing in districts not under the permanent settlement?—They are partly mootahdary and partly ryotwar. The permanent settlement was introduced into Madras in 1823, and the country was divided into mootahs, consisting of one or two villages, and the jumma assessed on them was declared to be permanent.

316. In what districts was that?—That was intended for all the territories.

317. Was it carried into effect?—No; in several of the ceded districts in Coimbatoor and the Arcots, and other parts ceded by the Nabob of the Carnatic, village settlements were introduced. A triennial village settlement was made, and an engagement entered into either with the head man of the village, and on his refusal to engage, with any other contractor; that lease was succeeded by a decennial settlement; but the village contractors failed in so many instances before the termination of the decennial leases, the Court of Directors desired that the plan should be abandoned, and settlements with individual ryots substituted.

318. Will you describe what is the system actually prevailing in the remaining portion of Madras?—The systems prevailing are the zemindary, mootahdary, and ryotwary.

319. Will you specify the districts in which each prevails?—

Jovis, 16° die Februarii, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

HUGH STARK, Esq. again called in and examined.

16 February 1832.

Hugh Stark, Esq.

320. HAVE you prepared any list of the different provinces and collectorates, connected with the subject of the revenue?—I have prepared a list, showing the collectorates while under the jurisdiction of the three boards of revenue, in the Lower, Central and Western provinces of Bengal; and showing likewise the districts as they are now arranged under a general board of revenue. [*See Appendix.*]

321. Have you done any thing of the same description for Madras?—I have prepared a list of districts, showing those that are under the strict zemindary settlements, those that are partly settled with mootahdars and ryots, and those that are entirely ryotwar. [*See Appendix.*]

322. Which of those three divisions comprehends the greatest surface of territory?—At Madras, the ryotwar country certainly.

14 February 1832.

Hugh Stark, Esq.

323. Has the ryotwar settlement been very much extended of late years in the presidency of Madras?—The mootahdars, who are the only middlemen that intervene between the ryot and the Government, of recent creation, are the only parties liable to be removed by an alteration of system; I mean by the substitution of the ryotwary system for the mootahdary system.

324. Has the object of the Government been to extend the ryotwar system in those districts where it is not now settled?—Wherever the mootahdars fail, they do so. In Salem, which was till lately all held by mootahdars, the proportion of the revenue now paid by mootahdars is about six to eleven; so that the mootahdary system is gradually failing in that district.

325. Has the ryotwary system been found to succeed in the Madras territories, equally well in the various parts of that presidency in which it has been tried?—Wherever the assessment has been made so as to leave the cultivator a fair profit, the revenues from those districts have been collected without any difficulty. That remark applies to all the provinces under ryotwar settlement.

326. Has it been the object of the Government, in making those settlements, to fix an assessment which should bear a moderate proportion to the produce of the country?—Certainly.

327. Are there any intentions on the part of the Madras government at present of extending that settlement to other provinces in which it does not at present prevail?—In the Northern Circars, which were generally settled with the ancient chiefs, it has not been found practicable to introduce any other system than the prevailing one, the zemindary system. The Government attempted to enforce the payment of the revenue by the sale of lands belonging to the ancient chiefs, and when the purchasers attempted to take possession of the lands they were resisted by the people, and troops were obliged to be employed. In 1817 or 1818 there was an actual war carried on for a considerable period; the Government were obliged to induce the purchasers to give up their bargains, and to restore the old system. The chiefs, denominated poligars, who are to be found in other provinces in the presidency of Madras, hold their lands by the same tenure.

328. Was the zemindary system there very different from Bengal?—In principle it is the same; but the revenue received from many of the chiefs, who were considered dependent princes, was denominated peshcush, or tribute.

329. Is it the system of the Madras government to introduce a ryotwar settlement wherever it is practicable?—Such are the orders of the Court of Directors, and I believe the Government have always acted upon those orders.

330. Are there at this time any surveys or operations going on for that purpose, in any provinces where it does not prevail?—There is a survey now in progress in Tanjore; I have seen a private letter from the collector, Mr. Kindersley, in which he speaks confidently of being able to establish it to the satisfaction of all the parties interested That survey was unwillingly undertaken by the late Sir Thomas Munro, and was forced upon him; he found that the small meerassadars or village proprietors were over-taxed by the leading men of the villages, and the survey was introduced, in 1826, as the only means of correcting that evil.

331. In Sir Thomas Munro's operations for the purpose of establishing ryotwary settlements, one of his great objects was to obtain an efficient co-operation from the natives;

natives; has that plan been pursued in establishing those settlements since his time?—Where you collect individually from the ryots, the heads of villages, the village accountants, and the government district officers, must all be employed.

332. In those cases in which Sir Thomas Munro introduced the ryotwar settlement he brought the natives into the survey?—Certainly, that was the check against his own estimates.

333. Has that plan been adopted, and been found to succeed since his time?—There is no other mode; you must carry the feelings of the natives along with you, or you could never arrive at the truth.

334. Do you imagine such an undertaking could be effected by a person who was not much above the ordinary qualifications of a collector?—An officer employed in surveying and assessing a district must possess full knowledge of its local institutions; with such information, and actuated by kindly and great sentiments, I think a man of fair abilities would succeed. The practice, however, has been to select the fittest persons that can be found for so delicate a duty. If the survey assessment is correctly made, and the registers carefully preserved, any man that is able to control another may superintend the collection of revenue in such a district; but a revenue survey requires to be well superintended for several years to see that it answers all its purposes, to grant remissions where errors have been committed; the prosperity of the country depends entirely on the survey not putting too high a value upon the land.

335. The whole question of success must depend in a great measure upon the survey assessment?—No doubt of it.

336. You stated that in those districts where the ryotwar system prevailed, the revenues had been regularly paid; has it not been necessary to make reductions in various cases?—The annual assessment, which strikes many gentlemen as being a thing ever beginning and never ending, is merely a revision in favour of the cultivators. If a cultivator has been unable to cultivate the whole of his lands, the collector has a general power to suspend the payment of a part of the revenue; and if another cultivator chooses to take up the land, he may do it for a season, the former cultivator having a right to resume it whenever his means enable him to do it.

337. Then in practice has the full revenue usually been paid from the land?—Unless there should be such a destruction of crops that no revenue can be drawn from it. Madras is more exposed to these calamities of season than Bengal.

338. Does the distinction between the lands artificially irrigated, and the dry lands, prevail more especially under the presidency of Madras than in the other presidencies?—Certainly.

339. Has the ryotwar settlement been found, where it has been introduced, to confer a saleable value on lands?—I cannot speak to that point correctly, because I have had no means of knowing it; but I have been informed by gentlemen who have been in charge of districts assessed with survey rates, that it is usual between the ryots, when they dispose of land, to obtain several years purchase for it.

340. Is that the case with lands under other settlements excepting the permanent settlement?—I do not think it would be possible to obtain any evidence upon that point.

16 February 1832

Hugh Stark, Esq.

341. You have stated that in the presidency of Madras lands have been transferred from the mootahdary settlement to the ryotwar?—On the failure of the mootahdars.

342. The Committee have been informed that attempts of the same nature have been made in Bengal to transfer lands from the zemindary to the ryotwar settlement, and that great inconvenience has arisen from it by the lands becoming worse, owing to the cultivators being unable to obtain any profit from them; does the same inconvenience occur in Madras as in Bengal?—No; because the ryot of Madras, where he holds of Government, occupies the land with a precise knowledge of the tax or rent he has to pay to Government, and he pays that tax through the head of the village. The accountant of the village is bound to keep a correct account of all the demands against him, and of all his payments; therefore there is a check against all undue exactions, and the cultivator is enabled to secure to himself all that remains after the payment of the public demands.

343. Can you explain to the Committee what it is that has enabled the Government in Madras to enforce such a system where the ryotwar settlement has been substituted for the mootahdary settlement, and what has rendered it impossible in Bengal?—They never attempted it in Bengal.

344. When you use the word mootahdary, with reference to the Madras presidency, you mean precisely the same as zemindary would when applied to Bengal?—Precisely.

345. The Committee are informed that in the districts of Chingleput, Salem and Tanjore, both the ryotwary and the mootahdary systems prevail; will you be so good as to explain in what way the mixture takes place, and to what extent each prevails?—I can speak more correctly with respect to Salem and Chingleput. Chingleput was settled in 1803 or 1804, all upon the mootahdary system; so was Salem. The mootahdars fell into arrear with the Government; the Government sold the estates for the recovery of the arrears, and finding that the country had not improved under the mootahdars, they purchased estates so sold, and retained them, and settled with the occupant cultivator ryotwary. In the Salem district the proportion of lands held by mootahdars may be estimated as six to ten or eleven, so that nearly two-thirds of the country has come back to the government.

346. According to any calculation which you can form, what length of time will elapse before the remaining portion will come into the hands of the Government, and be placed upon the ryotwary footing?—It is impossible to say that, because it entirely depends upon the success of the mootahdar; if he is a good landlord, and charges moderate rents, and promotes irrigation, there is nothing which can disturb his possession.

347. In every case in which such purchase is made, is not the purchase made by the Company?—The mootah is put up to sale, and the Government bid in common with the other purchasers.

348. In what way is it worth while for the Government to lay out money for such a purpose?—It was conceived that the country was not liable under the ryotwar settlement to those abuses which prevailed under
was for this reason principally that the change was ordere

349. Is there any increase of rent which will give fair interest upon the money laid out?—It frequently happens that there is very little outlay by the Government, for the arrear due from the mootahdar would be otherwise lost.

350. But the money laid out must be the same by the government as by an individual?—That would be the case if there was much competition; but mootahdary estates are generally very much depreciated in value when they are sold for arrears of revenue. Gain is not so much the object of Government as the advantage of having a people attached to them, and much easier governed.

351. Are you able to inform the Committee whether the circumstance of the Government going to the market as a purchaser has a tendency very much to increase the price at which the mootahs sell, or whether it has a tendency to create fictitious competition?—That has been a difficulty which has been urged by all the governments of India against a compliance with the Company's orders. Of course it requires discretion and management on the part of the collector of the district in which an estate is offered for sale.

352. Is that the same process that is attempted in the permanently settled districts of Bengal?—Yes; the Bengal government have stated that in all practicable cases they would comply with the Court's orders.

353. You have stated that there was great difficulty in managing those districts in different quarters of the collectorate?—That is an opinion which I have formed from past experience; whether the Government will be able to introduce a better system of local management it is impossible for me to say.

354. Has there been a similar difficulty in Madras?—No; because in Madras, when the Government revert to the original institutions of the country, they employ an efficient agency to carry on its business. In Bengal the collector has no such agency, and he must rely entirely on the honesty of the person he deputes for the purpose of managing the distant estate that may become the property of Government.

355. The difference then arises from the difference of time in which the operation has been carried on in the two districts?—And in the reduction of the agency.

356. But the reduction of the agency would be the same, provided the mootahdary settlement had existed for the same time in those districts?—Not to the same extent, I think.

357. In the cases you speak of in Bengal, has the settlement been a fixed one, as in Madras, or has it been a variable one from year to year?—The settlement on the particular estate was fixed, but not on individual tenures.

358. Is it fixed as it was by Sir Thomas Munro in Bengal?—No, I think not.

359. Supposing that it should be thought desirable to permit British subjects to obtain either temporary or permanent possession of property in British India, for the purpose of cultivating indigo or cotton, or any products that might require care or capital, under which of the prevailing settlements would they be best able to do so, the zemindary, the ryotwary, or the village settlement?—The zemindary system appears to offer the greatest facility, because there is no inquiry with respect to any other tenure than that of the zemindar; but supposing that an European acquired zemindary lands, if he were a just man he would have to consider the rights of the parties whom he found occupying those lands: as those rights have never been clearly defined

16 February 1832.

Hugh Stark, Esq.

defined under the zemindary system, the probability is that the ryots would claim to hold their lands according to the usage of the country, and to cultivate upon them such articles as they might think proper, whether rice, or sugar, or whatever it might be: the European proprietor might say, "I will only have a particular produce cultivated;" and in that case it is difficult to say how the question would be determined in the courts, if the usages of the country are to be respected. The difficulty of acquisition under the ryotwary system would be greatly increased, because the right of every person must be purchased individually of him; but there would not be the same hazard of abuse. The same observation applies to the village system; the rights of all the village proprietors must be acquired; the European proprietor would become the landlord of the village if he bought up all the rights, but he must have the consent of every man in order to do justice to all parties.

360. Is the Committee right in supposing that under a zemindary settlement, when an individual obtains an estate he has a difficulty in ascertaining what the extent of the land is, from there being no survey and no fences, and also in knowing how to dispose of the ryots upon the land?—No European has ever acquired a zemindary tenure; he cannot, under the law: he may rent lands under a zemindar, but the engagement with the zemindar is one part of the transaction, he must next agree with all the occupiers of those lands.

361. The question did not refer to an individual permanently obtaining the rights of the zemindar, but only in part; has not that been the case with the indigo planters?—I presume that they pay their rents through the zemindar.

362. Have the purchases in those cases been made through natives?—The Europeans are allowed, under the express sanction of Government, to purchase lands of the zemindar for factories and for gardens.

363. How do you reconcile the advantages which you suppose derivable from the Government having become purchasers of lands under the zemindary settlement, with the circumstance that it appears that estates khas have hitherto failed?—The estates held khas were left entirely to the management of the persons placed in charge of them. The abuses of that system have always been urged against the introduction of a ryotwary system; but it never was expected that any detailed settlement could succeed, unless there was something like control and management on the part of the officer deputed by the Government to conduct the settlement. A collector in Bengal seldom or ever knew the situation of the estates held khas; that they were khas was quite a sufficient reason with him to account for the decline of the revenue on a khas estate.

364. In the case of an estate held khas, the government officer is put into the situation of the zemindar?—He manages for the Government.

365. Under the Madras system, having purchased the rights of the ryots, he would be the landlord, subject to the land tax?—He would then be entire master of the soil.

366. Under the zemindary system, having purchased the rights of the zemindar, he would be encumbered with the ryots unless he could afterwards purchase their interest in the land?—He would be in the situation of a middleman.

367. But he would not have the opportunity of taking their [illegible] session, as he would in the other cases?—Not without [illegible]

368. Would it be possible, under the zemindary system, supposing an individual had a right to purchase lands, to purchase the rights of the ryots?—I have only seen one instance where that question was treated of by a collector, I think it was in the district of Hooghly. The Government had occasion to purchase lands for public works; the collector made the purchase from the zemindar, and he called the ryots together and said, I am now to occupy such and such fields belonging to you, and I have made a deduction of your jumma on account of those fields. They signified their satisfaction with the arrangement, and stated that they should have been forced to pay the same jumma that they paid when they occupied the fields. The collector added, he was extremely sorry that he could not give anything to the ryots for the right of occupancy, but he feared it would be difficult to estimate that at any price.

369. Were the ryots in that case in fact dispossessed?—The lands came to government, and they held them in right of purchase from the zemindar.

370. Did the ryots object to being deprived of the right of occupancy, though it was of so little value?—The collector offered no information upon that point.

371. How were those ryots disposed of?—They continued to cultivate the lands that remained to them.

372. In the various provinces of India does there not prevail a very great diversity in the habits and manners of the people?—Certainly.

373. That being the case, do you conceive that the results of any one of those systems afford you grounds for deciding whether it would be equally effectually tried in other provinces differing in those points?—From the experience I have had, I have always found that the disputes in joint estates have arisen, not so much from the diversity of tenure as from the practice which the leading men have adopted of throwing upon the small landed proprietors too large a portion of the assessment. A ryotwary assessment would prevent that, and therefore would strike at the root of all the abuses which occasion so much difficulty to the collector; in fact, an individual adjustment of rights appears to be compatible with any mode of revenue settlement.

374. Do you think it is compatible with any of the habits of the people in the different provinces of India?—That is my opinion.

375. Does the subdivision of property prevail to a great extent in all parts of India?—It does. It is the law of India; and when we are informed by the early reports of the Bengal government that such a country as Burdwan once belonged to one or two families, it always appeared extraordinary to me that the gentlemen who expressed that opinion did not consider, that under the law of dividing property among children, no country in India could be in that situation; and I think that the law having been in operation for many hundred years sufficiently accounts for the minute division of property in India.

376. That being the case, do you think that the prevailing law affords a very strong argument in favour of one of this description of settlements?—It appears that as the lands, in numerous instances, are actually the property of a great number of shareholders, it is necessary to secure the rights of parties by defining correctly what each man has to contribute towards the revenue of the Government; without such a definition they are subject to exactions of various descriptions.

377. Does

16 February 1832.

Hugh Stark, Esq.

377. Does not a very large portion of the difficulty which is found in the management of the revenue, and the treatment of the holders of land in India, arise from that extent of subdivision upon it?—I should say that the difficulty has arisen from our not attending to that subdivision of property.

378. Will you proceed to explain to the Committee what is the nature of the salt manufactory, for the salt monopoly at Madras?—The system will be found clearly described in a report prepared by Mr. Clarke, when secretary to the board of revenue, for the information of the Bombay government.

379. Is the revenue derived from that source in a flourishing condition?—The tax at Madras is much lower than at Bengal; the tax is a fixed tax. At Bengal it fluctuates with the speculations of the merchants who purchase at the sales. The quantity sold in the Madras territories by the Government, considering the population of Madras, is much larger than the quantity sold at Bengal, with reference to the known population in the permanently settled provinces.

380. Will you explain how the tax is levied?—The government sells the salt to any purchaser for 105 rupees per garce, which is 120 Bengal maunds. After it passes into the hands of the purchaser, he carries it to any market he may think proper.

381. Has the manufacture of the salt under that monopoly increased latterly?—I think that it has increased; but I am not prepared to state the proportion of the increase.

382. Is the supply of the salt for all the south of India derived from that source, for Mysore, Cochin, and so on?—It either comes from the Malabar or the Coromandel coast, where the salt monopoly prevails.

383. Is it not more extensive on the Coromandel coast?—Yes; it is a dryer climate.

384. Is there any considerable export of salt from Madras?—The principal export, I believe, is to Bengal; it is now limited to six lacs of maunds per annum, by the rules laid down by the Bengal Government.

385. Does the Madras system of the salt monopoly differ from that established in Bengal, inasmuch as the price of salt is fixed, and is not left to competition?—That is the difference, and the tax is lower.

386. Is there any very large population employed in the manufacture of the salt?—There must be an immense number of people employed.

387. Can you at all inform the Committee as to the comparative condition of the labourers employed in the salt manufacture at Madras, and those at Bengal?—I have never had an opportunity of seeing the question particularly stated.

388. Is it manufactured by the same system of advances as at Bengal?—The manufacturers receive a fixed price from the government for the salt manufactured by them. The usual system, I fancy, in India, is to give an advance.

389. Will you point out the remaining sources of revenue under the presidency of Madras?—The stamp revenue, the abkarree, inland and sea customs, and town duties.

390. Will you be so good as to explain to the Committee in what the sayer duties consist under the presidency of Madras?—I find, upon reference to the finance accounts, that under the term "sayer" all the collections from Gyah, and other places of pilgrimage are included.

16 February 1832.

Hugh Stark, Esq.

391. Is that remark confined to a particular presidency?—To Bengal.

392. Under the presidency of Madras, what is included under the head of sayer? —Frequently, in the reports of officers, when speaking of the transit duties, they call them the sayer duties; all the collections from inconsiderable sources, when they are spoken of in the accounts, are brought under the general term sayer.

393. Does it include town duties, as you informed the Committee it did, under the presidency of Bengal?—The revenue statements differ very much from the finance statements. In the statements furnished by the Board of Madras every item is kept under its proper head; inland customs, or sea customs, or town duties.

394. You are not aware how they are classed in the finance department in the India House?—No; I am not aware what they include under the head of sayer.

395. With respect to the abkarree duty, of what does that consist?—A tax upon all intoxicating liquors and drugs.

396. Is it a tax of the same nature as that of Bengal?—Precisely.

397. Is there any other tax in the presidency of Madras? Stamp revenue.

398. Is that the same as the stamp revenue at Bengal?—It is not so much upon the English plan of stamp duties; but it applies, I think, rather to legal proceedings and bonds, and not so much to commercial transactions.

399. Is it an increasing revenue, as that at Bengal is?—No; I think it is pretty stationary.

400. When was that introduced?—I believe in 1808.

401. Are there any pilgrim taxes collected in the Madras presidency?—As far as I remember there are no pilgrim taxes collected there; but the offerings made by pilgrims at the great temples are received by Government, after defraying the expenses of the temples.

402. Has Government any net receipt from that source?—From an account that was furnished lately, it appeared that the payments on account of mosques and temples far exceeded the receipts; but the amount of the receipts on account of temples is not known, because the Government appears to give from the public revenue money for the support of temples, which may in fact be the rent of land the property of temples. The collectors manage the revenues derived from lands belonging to temples; the officers of the temples are not allowed to manage those lands, and they will often appear to receive the funds for the support of the temples from the public revenue, when they are really drawing upon their own resources. Such payments are liable to be considered a charge upon the revenue; but I have never seen a clear statement of the lands assigned to temples. The collections from such lands have apparently merged in the land revenue.

403. Are the customs much under the same regulations as those at Bengal?—The same description.

404. Will you describe to the Committee the state of the land revenue under the presidency of Bombay; what the settlements are, and in what districts they prevail? —With the exception of the districts of Surat and Kaira, where the ryotwar settlements have been formed with the cultivators, the Bombay territories are managed through the village officers. They are what are termed village settlements; generally, that is the case.

16 February 1832.

Hugh Stark, Esq.

405. Where the ryotwary settlement has been introduced in those two districts, is it upon the same principle, and under the same regulations, as that which has been introduced into Madras?—Nearly so: the only difference is, that at Bombay the land-tax is much higher than at Madras. If the tax were to be lowered, the improvement of the country would be much more rapid than it has been.

406. It is fixed upon the begah?—It is.

407. When was that introduced?—About 1817.

408. What has been the result of the introduction of that system in those provinces?—Before the adoption of this system the cultivators were required to pay two-thirds of the revenue before their crops were ripe, and they were forced to borrow money at high interest. Under the ryotwar system no demand is made till the crops are cut. The alteration must have been favourable to the cultivators; but Mr. Elphinstone stated, in 1821, that the rates were too high.

409. How has the revenue been collected since the introduction of the system?—At Bombay, as at Madras, the Government are obliged to grant remissions when there is a great failure of crop.

410. Does there appear to have been the same uncertainty in the collection of revenue in the presidency of Bombay as under the other settlements?—I should think that the revenue is collected with the same uncertainty; it depends entirely upon the crops. The amount of the assessment is too high to be realized in all seasons.

411. It has not been paid under the ryotwary system with more certainty than under the other?—No, if by that be meant an unvarying revenue.

412. That you consider owing to the high amount of assessment?—Yes.

413. Did we alter the assessment?—When we succeeded to the country it had long suffered from the misrule of the native governments that preceded ours. We abolished arbitrary imposts, and repressed the exactions of the military tribes, and succeeded in restoring order and tranquillity; but the wants of the Government did not allow them to abate established rates of assessment.

414. Did the property in the land appear to be vested in the same manner in those territories as in those of which you have been speaking?—The Mahrattas, by farming the revenues of the country to speculators, occasioned a very general destruction of the rights of the cultivators; but there was no want of evidence to prove that the cultivators had, at no distant period, enjoyed a beneficial interest in the soil.

415. Was there any class corresponding to the mootahdars?—There were classes, but they did not appear as the proprietors of the land; they did not claim any property in the land. They had fees; those fees we consolidated, and have continued to pay them: they are excluded from all interference.

416. *Are they native collectors?*—Not now; we employ them very sparingly.

417. Is it the intention of the Government to proceed with the introduction of the ryotwary settlement into other parts of Bombay?—The Bombay government have been instructed to extend the ryotwary settlement, and to grant leases for 30 years in all cases where individual rights shall have been carefully defined and recorded. The revenue surveys which have been completed in the Bombay territories have enabled the local authorities to adjust boundary disputes, and the rights of parties in the village lands.

418. Your

418. Your remark is not confined to those two districts of Surat and Kaira?—No, I am speaking generally of districts which have been surveyed.

419. In those districts you say there was a detailed ryotwary system?—In all cases where individuals are affected it must be so. I have to remark, however, that both in Kaira and Surat there are numerous villages which are managed through the agency of the patells, or headmen. In Kaira there are in the same villages two sorts of tenure; one portion of the village lands is held by the ryots at fixed rates, the other portion is annually divided among the ryots according as they may be disposed to cultivate additional land. In Surat, leases or pottahs are annually issued to the cultivators individually, by which they are respectively enabled to increase or to contract their cultivation. In both districts the rates are too high.

420. In the remaining parts of the presidency of Bombay, you have told the Committee, there prevails a village settlement universally?—Yes, that is the prevailing system.

421. Is that village settlement of the same description in all the remaining provinces?—With the exception of the territory conquered from the Peishwah, the settlement is nearly the same, it is conducted through the leading members of the village community

422. Will you describe the nature of that settlement?—I beg to refer the Committee to a very valuable report prepared by the late Colonel Williams, who surveyed the Broach district, in which he gives a most minute detail of the village institutions, the nature of the tenures, and the charitable assignments for the support of the aged and the infirm, and for affording relief to poor travellers; in fact, it is a complete history of the institutions that he found existing in the country.

423. Is that report confined entirely to the Broach district?—Entirely.

424. May it be taken as a description of the village settlements throughout the greater part of the Bombay territories?—I conceive it accurately describes the state of things that existed in all those territories when not subject to a bad government; the country came into our hands from the Mahrattas, and had been the scene of every species of exaction.

425. You consider it to be a description of the institutions of the country as they had existed before the occupation of the Mahrattas?—Certainly.

426. Has it been the object of the Government to revive these institutions as nearly as they could?—It has always been the anxious desire of the authorities at Bombay to uphold and revive the village institutions.

427. You made an exception of some districts where it did not prevail, what districts are those?—In a great portion of the Poonah territories the meerass tenure was found existing, but it is always combined with village institutions and privileges.

428. Will you describe what that is, and how it differs from the village tenures? —The meerassadars are the acknowledged proprietors of the lands held by them. No person can acquire a meerass tenure without the consent of the brotherhood. The villagers were so much attached to their tenures that it enabled the Poonah government to exact, in the form of revenue, much more from the meerass lands than they could procure from the same description of lands in the immediate neighbourhood not belonging to meerassadars.

 429. Are

429. Are the meerassadars large landholders?—They are generally small.

430. Are there not large landholders among them?—I am not prepared to speak to the extent of the property held by individual meerassadars.

431. Do they stand in the same relation to the other classes as the zemindars and the mootahdars, with the exception that they have an actual right to the property of the lands which they hold?—They are the parties through whom the revenue is paid to the Government, and they hold directly of the Government; they are in the situation of the ryots, I should conceive, who hold directly of the Government of the Madras presidency: there is no middleman that intervenes between them and the Government.

432. Are not the ryots holding under those meerassadars distinctly in the situation of their tenants?—The Government has nothing to do with the persons who occupy the meerass lands. The meerassadar pays his revenue directly to Government; but if the meerassadar lets his land to a tenant, and procures a much higher rent from the tenant than he pays to the Government, he is at perfect liberty to do so. If a zemindar does that, and the occupying ryot has a right to hold his lands, he does it at the expense of the ryots; in fact, he exacts from the ryots every farthing; he takes beyond the known pergunnah or village rates, and that has been one of the great difficulties in adjusting disputes between the ryot and the zemindar in Bengal.

433. Do you mean that the ryot, under the zemindar, has a more clearly defined right of property than the ryot under the meerassadar has?—Certainly, because the zemindar only is entitled to take from him what the Government would have taken had he never been zemindar.

434. In practice are the two systems nearly the same?—It seldom happens that a meerassadar gives up his lands to any person, unless he should be a soldier, or obliged to leave the country.

435. If he lets his lands it is to a mere tenant?—No person has a right to interfere with him.

436. In fact, has not the effect of the omission to define the rights of the ryots under the permanent settlement, been to place the ryots, in that case, very much in the situation of ryots holding under meerassadars?—They have, in a great measure, become tenants at will.

437. Did not the Government, under the permanent settlement, leave the ryot without any distinct recognition of his rights?—Reserving to itself the right to interfere for the purpose of defining those rights whenever it should appear to be necessary.

438. Has not the practical effect of the omission on the part of the Government to avail itself of that power, left the ryot, under the zemindar, in the situation of the ryots under the meerassadar?—In so far as the ryot is at the mercy of the zemindar, it is so; in practice it is so.

439. How is the actual property of the meerassadar in the land ascertained?—The records of the villages held in meerass tenure are very ancient, they contain a history of the lands handed down from father to son.

440. Were they sufficient clearly to establish the right of the meerassadar?—There can be no question as to the right of the meerassadars to hold at fixed rates; and

and should the Government be in a situation to reduce the tax, the country would rapidly improve.

441. If the Committee understand you, the meerassadar is nearly in the same situation as a ryot, at a fixed assessment, under the ryotwary system?—Precisely so, with the exception of the superior rank in society which the meerass tenure confers.

442. Has the ryot under the meerassadar any less right of occupancy than the ryot under the zemindar; has the cultivator the right of occupancy so long as he pays his assessment?—The engagement between the parties regulates the transaction.

443. A meerassadar, therefore, has the power of changing the occupancy of the lands according to his interest?—As much so as any other proprietor in the world.

444. Are you aware of the state of the legal question as to the right of the ryot in the land, that some of the ablest civilians have given it as their opinion that the ryot has no interest in the land under the zemindary system?—I suspect that that arises from looking at the book of the regulations alone. It unfortunately happens, that upon that point the Government did not do as it did in many other matters of civil rights, leave the courts to determine the question according to the law and usage of the country. If they had done that, and obliged the courts to ascertain what was the law and usage of the country, instead of describing the tenures of the cultivators by the terms tenants, ryots or other cultivators, the courts would have been forced to ascertain the rights according to such usage.

445. Does not the opinion which has been given by some of our civil servants extend to this, that according to the law and usage of the country the ryots have no right of tenure under the zemindary settlement?—Of course when you speak of such a country as Bengal, there may be many zemindaries where the cultivators are all slaves. That would not describe the condition of the people of India generally; but if you were to go into the districts north-west of Benares, where the people are of a much bolder spirit than the cultivators in the Lower Provinces, and were to attempt to dispossess the villagers upon that principle, they would take arms and resist it. I conceive that if any person reads the Regulations of the Government, and compares those Regulations with the things as they actually exist, he will find that the two things are exactly in opposition to each other. I should say the Regulations are wrong.

446. Has it not been a question of controversy, whether the property of the land was vested in the zemindar, or in the ryot, or in the Government?—I conceive that it is only necessary to read the Regulation of Lord Cornwallis, of 1793, to see that there was a great variety of tenure. That he did not define it more accurately is a great misfortune; but his Lordship would never have introduced the reservation, contained in the 1st regulation of 1793, except for that circumstance.

447. Were there not those three theories, each of which had its partizans?—Yes, the thing has been discussed over and over again.

448. Over what territories does this meerassadary settlement obtain?—It obtains generally in the districts that belong to the Peishwa, with the exception of Candeish, where the villages were either partially or wholly deserted.

16 February 1832.

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Hugh Stark, Esq.

449. Can Government create a meerassadar; if there is any unappropriated land, can they give it to a person, and thus create him a meerassadar?—Government can give him the land, but if the land belongs to a meerass village, the consent of the village council must be obtained, and they levy an established fee for the privileges of the village; it is, in fact, a corporation.

450. How is the Government assessment upon the meerassadar regulated?—The difficulty that we have experienced under the Bombay government is, that we have required the revenue that the Peishwa took, and the Peishwa over assessed those lands. We have not yet been able to bring it down sufficiently.

451. Have there been reductions made?—Yes: in fact, from the fall of prices in all that part of India it has not been possible to keep up the assessments; but the relative rates are not materially altered.

452. Has there been an actual survey of those districts?—A survey was commenced under Mr. Chaplin, but I have seen no recent reports; it was subsequently entrusted to Mr. Pringle, and I have seen several of his reports; but unhappily the necessities of the general government of India have obliged them to put a stop to that survey, on account of the expense attending it.

453. Is the gross receipt from Bombay increasing or decreasing?—I am not prepared to offer an opinion upon that point; for several years past there have been a succession of unfavourable seasons, and the revenue has been lower than it would have been under ordinary circumstances.

454. Is there any waste land, or land in common?—The Government claim that and let it for cultivation.

455. Do you think cultivation has increased in the Bombay territories?—The rapid extension of the cultivation has been assigned as one of the causes of the decline of prices. In consequence of the military tribes finding no employment, they have been obliged to betake themselves to the plough.

456. Was the survey you spoke of stopped because the Government could not afford to make a reduction?—No; the survey undertaken by Mr. Pringle was discontinued because the expenses of the survey were more than the revenue of India could afford for that operation.

457. Have we ever claimed the right of meerass land, in consequence of the arrears of revenue?—I have seldom seen an instance of any sale of meerass tenure, because the principle is to grant to ryots holding directly under the Government remissions under unfavourable circumstances of season, or to allow them time to pay their arrears.

458. Is the settlement made with the meerassadars individually?—Yes.

459. How are the arrears of assessment enforced in those cases?—It very seldom becomes a question, the payments are so regular, if the circumstances of the ryot enable him to pay it.

460. Then the revenue derived from the provinces under that settlement may be said to be easily collected?—It is collected with very little difficulty. The revenue does not pass through the hands of a third party, who might dissipate it.

461. What makes it their interest to pay those arrears; if the Government never dispossess those men, would not the natural consequence be, that they would be very

very negligent in their payment?—The tenure would be liable to be sold, and that is a power which the Government might, I should suppose, enforce.

462. Do the Government claim such a power?—I believe so.

463. Are the meerassadars strongly attached to their land?—It would be the last thing they would part with.

464. Do you know what is the nature of the agreement between the meerassadar and his tenant when he lets his land to the tenant?—I should think it would be for a division of the crop.

465. Do they give pottahs?—The collector could not take any cognizance of those transactions; they would be merely private bargains.

466. Are those settlements of the government revenue fixed for any length of time?—I believe we have reduced the assessments of the Mahrattas, but not to the extent that they ought to be carried. The meerassadars generally pay more for the lands held by them on that tenure than the Government can procure for a similar description of lands from ordinary cultivators.

467. Are those settlements made annually, or for any longer period?—The demands must be revised annually, because the assessment is so high that unless remissions are granted when the crops fail, the meerassadars would be ruined.

468. Are there any other varieties of consequence in the Bombay territory?—The only variety that occurs to me at present, was where village lands had been mortgaged to leading men, and those parties claimed the right of engaging directly with the Government, as the proprietor of lands. The difficulty that was experienced in those cases was, how to protect the cultivators from the unlimited demands of the person engaging as the mortgagee. The tenure was acknowledged by the preceding government.

469. Will you give in a list of the districts and of the collectorates in the territory of Bombay, as you have done of the others?—See Paper No. 3.

470. Will you describe to the Committee the state of the opium revenue under this presidency?—A considerable portion of the opium purchased, when the Government employed an agent at Malwa, was brought to Bombay, and sold on account of the Government, in the same manner as the Benares and the Behar opium is sold at Calcutta, to British and other merchants. Opium is not produced in the Bombay territories.

471. Independently of the revenue which was derived from that which was sold at the public sales of that presidency, was there no other revenue derived in its passage through the country from the place of cultivation to the place of sale?—When the opium procured by the agent in Malwa was sold by Government at Bombay, opium was not allowed to pass through the British territory, unless it belonged to the Company.

472. Was the opium then which did not come to the British territory, carried circuitously to the Indies?—Yes, it was carried by a circuitous route to the Indies.

473. Since that time, has there been a system of license for that?—It is proposed to abandon the sales, and to substitute a transit duty upon the opium belonging to private merchants passing through the Bombay territories, and to afford them all the facilities that the Bombay government can, of storing it and exporting it to China.

474. Will

16 February 1832.

Hart Stark, Esq.

474. Will you explain the circumstances under which those agents were placed at Malwa?—The Bombay government determined to go into the market as purchasers, but it was found that the agents employed by them had so little knowledge of the business on which they were employed, that they raised the price much beyond the ordinary price in the districts. The government of Bengal at length deputed Mr. Swinton, an experienced opium agent, into Malwa, for the purpose of placing the opium transactions on a satisfactory footing. With the aid of the political agents in Malwa, Mr. Swinton succeeded in restricting the growth of the poppy, and establishing a monopoly similar to that in Behar and Benares.

475. Was that interference found necessary in consequence of the effect of the growth and manufacture of opium at Malwa upon the manufacture of opium at Behar and Benares?—It was considered necessary for the security of the opium revenue of Bengal, which was seriously affected by the increasing exportations of Malwa opium to the eastern markets.

476. When did that supply first arise?—It gradually extended after the reduction of the Pindarries in 1818.

477. Is there not, at this time, a very large production of opium from Malwa —It is very large.

478. Have those territories been found to succeed since that time?—They have been abandoned.

479. Have the Government agents at Malwa now?—There are agents upon a very reduced scale of expense, for distributing licenses to merchants to carry their opium to Bombay. The expensive establishments for the purchase and manufacture of opium in Malwa have been discharged.

480. From what source is the Bombay presidency supplied with salt?—It is manufactured by individuals upon the coast on their own account.

481. Is it under a monopoly?—No.

482. Is it subject to tax?—It is subject to a fixed tax.

483. Is the system somewhat similar to the salt duties in England?—Somewhat the same.

484. How are they charged?—They are charged upon a particular measure.

485. Can you detail to the Committee the process for the regulation of the survey?—The duty is levied at the time the salt is sold, I believe.

486. Is it what is called bay salt, salt evaporated from salt water?—I believe so, entirely. The imposition of the salt tax was resisted by the Court of Directors for some time, because they considered that the country was heavily assessed, and that the people were not in a situation to bear additional taxation.

487. When did they see reason to change that opinion?—In consequence of a proposal of the Bombay government to remit various sayer duties, which were vexatious in their nature and liable to great abuse in their collection, and to substitute a fixed tax upon salt.

488. Do you remember what the amount of the duty upon salt is?—The sayer duties remitted amounted to about six lacs of rupees per annum; and it was estimated that the new tax would at least cover that amount. In the report of the revenues of 1829–30 the revenue now derived from salt appears to be upwards of two and a half lacs of rupees.

489. Was

489. Was it established in Mr. Elphinstone's time?—No; it was proposed by Mr. Elphinstone, but it was established in Sir John Malcolm's time.

490. Are there many agents employed in the superintendence?—It is conducted on the excise principle; the collectors of districts are the principal persons who control the natives employed in collecting the salt duties, but it would be difficult to enumerate all the officers.

491. What is the nature of the collector's establishment?—He has his native cutcherry and district officers, corresponding with the sheristadars and tehsildars at Madras and in the Upper Provinces of Bengal.

492. Were the collectorates very large?—They were always of considerable extent, but have recently been greatly enlarged. These alterations were introduced by Sir John Malcolm, with the view to the efficient administration of the provinces, and to the reduction of charge. The change has, however, thrown a considerable number of the civil servants out of employ.

493. Are there sayer duties collected under the Bombay government?—There were a great variety of sayer duties collected in the Bombay territories: these have been abolished, and fixed custom duties substituted.

494. Has not very much the same process taken place in Bengal?—Yes.

495. Then, in fact, does not the head of "sayer" include very much the same description of duties as you have described?—Yes; it is a term that continues to be used at all the presidencies.

496. Is the abkarree a revenue of the same description as the abkarree in the other presidencies?—Yes.

497. Is the custom duty also upon the same plan?—Yes.

498. Are there many taxes in India which have been the introduction of the English Government?—We have extended the principle of monopolies very largely; we have introduced the stamp tax, but we have abated a great number of taxes; all the irregular and vexatious imposts.

499. Except the stamp duty, is there any tax that can be said to be directly introduced by us?—The monopolies never existed in their present form.

500. But the principle of the monopolies existed?—Yes, the right of the Government to monopolize every thing.

501. On those rivers on which toll at present exists, and is paid by the natives, would the natives readily submit to such an increase of toll as would reimburse the Government for any improvement in the navigation?—The Government, at the time the Burmese war broke out, had commenced a new canal across the Sunderbunds, which I understand has since been finished. The natives may either use this canal, or carry their boats round the Sunderbunds, which is a circuitous and dangerous navigation.

502. Do you know of any instance where the Government have imposed a toll upon a navigation that was previously free, or where they have raised the toll for a navigation which had lower tolls before?—I am not aware that there has been any increase of tolls of late years. Tolls are levied upon the rivers communicating between the Ganges and the Hooghley, which are liable every year to be closed by sandbanks. We employ dredging machines and large parties of workmen to remove those obstructions, and the toll is intended to cover the expense of the labour

16 February 1832.

Hugh Stark, Esq.

labour which is required to preserve the navigation. Generally, the toll more than covers that expense.

503. Was that an imposition of our own; were such tolls ever imposed before we had possession of the rivers?—I cannot speak positively upon that; but if the ancient governments laid out money in clearing the rivers, I feel assured that they would not neglect to levy a toll.

Jovis, 23° die Februarii, 1832.

The Right Hon. Thomas Frankland Lewis, in the Chair.

HENRY ST. GEORGE TUCKER, Esq. called in and examined.

23 February 1832.

H. St. G. Tucker, Esq.

504. The Committee believe you held some situation in the East Indies connected with the collection of the revenue?—I did.

505. What situation was it?—I have been more than once a member of the Board of Revenue at the presidency; I was revenue and judicial secretary to the Government, and a commissioner appointed in 1807 for the settlement of the Ceded and Conquered Territory.

506. The Committee are desirous of drawing your attention to what is known by the name of the salt monopoly; will you be so good as to state the names of the principal manufactories in the Bengal provinces?—The districts of Tumlook, Hidgellee, the Twenty-four Pergunnahs, Chittagong and Cuttack.

507. In what way is the salt obtained by the Company from these different factories?—The Company control the manufacture; they make advances to a description of persons called molungees, who are the manufacturers.

508. Do the Government contract with those persons for a certain quantity, or do they buy of them at any regular price for any quantity they choose to make?—I believe there is generally an estimated quantity and a regulated price for the season; of course the delivery cannot always be in strict accordance with any previous arrangement, because it depends very much on the season; a greater or less quantity of rain or inundation will produce, or cause to be produced, a less quantity of salt.

509. On what principle is the contract price fixed and regulated?—Much in the same way as other prices, with reference to the labour employed in the production of the article.

510. Is that equal at each of the different manufactories?—I believe not exactly, because I believe the cost of production varies in different districts. The price of fuel, for instance, may be more or less in different situations.

511. Do you bear it enough in mind to be able to state what has been the price at each of the different factories?—I cannot. I have visited different salt stations, but I never was employed in superintending the manufacture; my evidence could not very well go further than to the general character of the tax; the particular details may be best explained by some gentleman who may have been a salt agent.

512. How

23 February 1832.

H. St. G. Tucker, Esq.

512. How many salt agents are employed?—I believe the Twenty-four Pergunnahs have been divided into two agencies, and there are seven or eight now, I think.

513. Do you recollect what they are paid?—They are paid by a commission on the revenue, on the net sales of their respective factories.

514. Do you recollect what the amount of the commission is?—The amount of commission varies, and of course will vary with the price and the quantity; but heretofore, when I was in India, it amounted to a large sum.

515. How much per cent.?—I do not recollect exactly; that is easily ascertained from the accounts; but I can state pretty nearly that the commission varied from about 40,000 to 80,000 rupees, which was the usual sum received by the salt agents. The factories vary very much, the salt being produced in larger quantity, and producing higher prices, at one factory than at another.

516. Had you ever occasion to know what number of persons were employed in producing salt in the Bengal territory?—No; I cannot estimate the number employed.

517. Had you ever any means of observing what was the condition of the persons employed on the salt factories?—I have stated in a little pamphlet which I have published (I believe I could quote the words), that they, the molungees, are among the worst-conditioned of our native subjects.

518. To what do you attribute that?—The climate is generally unhealthy; the situation in which they are employed is exposed to much discomfort, and the work, in fact, which they execute, is not one which is favourable to health They are, perhaps, not so well paid as some other labourers, although I am not in a condition to state that they do not receive what may generally be considered the average price of labour to persons employed in similar occupations. I should say, from the little experience and the little knowledge I have had of the condition of these people, that it is not a profession in which they appear to enjoy the comforts of the labouring classes in other situations.

519. Can you say what induces these persons to engage in a work which is below the average comfort of the other classes?—Habit, location, and perhaps the difficulty of procuring other employment.

520. Is there any restraint exercised on them?—I believe none whatever.

521. Do they ever get in debt to their employers?—I should think not. There may be unsettled accounts, and advances may be made, which are to be repaid by their deliveries of salt; but I do not believe they are liable to any personal restraint whatever, except after proof of debt.

522. Have you any reason to believe that many of them are indebted to their employers?—I am not sufficiently acquainted with the details to answer a question of that kind.

523. But, generally speaking, you think that their condition is rather a comfortless one?—I do not go so far as to say that generally; I speak of their condition comparatively: I should say they are among the worst-conditioned of our native subjects, from climate, situation, and the nature of their labour.

524 Supposing that any thing was to change, either accidentally, or intentionally, the course of the salt trade in Bengal, and that the inhabitants of Bengal were to derive their salt either from the Coromandel coast, or any other source of supply

23 February 1832.

H. St. G. Tucker, Esq.

supply, do you think that those persons who are now employed in making the salt could be provided for either on land now uncultivated, or in any way so as to improve their condition?—I have recorded my opinion, that it should be an object with the Bengal government to extend the importation of coast salt, and to reduce the manufacture of our own Bengal salt in particular situations which are unfavourable to its production, and which are unfavourable also to the health of the people employed. I have done so with another view: I consider that salt on the coast of Coromandel can be produced much cheaper, and that by importing it largely we shall encourage the navigation of the doneys, or native vessels, which are employed frequently in conveying grain from Bengal to the coast, and which would derive a beneficial freight by having a return cargo in salt. With respect to the application of that surplus labour which may be thrown out of employ by reducing the manufacture in Bengal, the only resources, or the chief resources, of the Indian population at present is an application to the land. The manufactures of cotton, which heretofore constituted the staple and the great source of wealth to the country, have been nearly annihilated by the introduction of manufactures from Great Britain, by the substitution and use of British manufactures.

525. Do you think that an increase in the manufacture of salt from Coromandel would be of mutual advantage to the two provinces, and to the country generally? —Decidedly so. This opinion I have not only placed on record, but I have given it to the public.

526. Have you any means of knowing the difference of price between salt from the coast of Coromandel and a similar quantity manufactured in Bengal? - I cannot state the present price with certainty or exactness; but omitting the government duty levied in the provinces under the presidency of Fort St. George, the price of salt produced on the Coromandel coast is considerably below the cost of that manufactured in our Bengal provinces. I know pretty well the prices; but I cannot undertake to give a detail of them.

527. But you can give that information without stating it with great accuracy?— It is a varying quantity from year to year; the prices of our Bengal manufacture are liable to vary; they vary in different factories. I could give you very easily a general average of both the one and the other.

528. Be so good as to state the amount of the duty levied upon salt in the presidency of Fort St. George; before it is imported into Bengal, does it become chargeable?—It is admitted in two different ways; on "permit" sometimes, where the individual buys the salt and pays the duty; it is sometimes admitted on contract; there the government of Fort St. George have also the benefit of the duty; it goes as a part of their local revenue, so that in fact the salt does come charged with the duty to us.

529. In every case?—I believe in every case; because we have not been in the habit of importing salt from Madras as mere merchants. We have imported on contract, or on "permit," that is, giving a license to vessels to import, the parties receiving a certain rate on the delivery of the salt in Calcutta. I can state what that rate has formerly been; it has been 55 or 60 rupees per hundred maunds. The "permit" trade, as formerly carried on, yielded a very small freight.

530. In

530. In every case the salt brought into the Bengal presidency from the Coromandel coast was delivered into the government stores; can you describe the nature of the "permit" to which you have alluded?—The "permit" was nothing more than a license to import salt, the importer engaging to deliver that salt at fixed prices into the government warehouses at Calcutta. When we had reason to suppose that the salt likely to be imported on permit would not be sufficient for the demand, we have engaged in contracts, or authorized the government of Madras to engage in contracts, for the supply of the quantity of salt required.

531. Has the contract price been in all cases below the price that was agreed to be given to the manufacturers of salt in Bengal?—I rather think that salt can always be delivered in Calcutta at a rate below the natural cost of production of our own salt.

532. I wish to ask you whether there is any difference in the quality of salt produced in Bengal?—My opinion is, that the Coromandel salt is a purer salt; that it is more nearly the pure muriate of soda. The Bengal salt is not an antiseptic; and I have heard that the molungees, in order to increase the quantity, are accustomed to throw into the brine the ashes of the fuel used by them. This adds a little, by the solution of the alkali, but it is an adulteration of the salt which has not been found by experience to be a real antiseptic. The quality of the Bengal salt is so far different from the Madras salt (which I believe to be nearly the pure muriate of soda), that the former will not cure meat; but you cannot account for tastes; and the people of Bengal at the present moment (or at least they have done so hitherto), give a preference to the Bengal salt.

533. Does the coast salt undergo any process of refinement before it is carried into consumption?—In Bengal?

534. Yes.—Not in Bengal; it is sold as it is imported.

535. Is it subsequently refined?—No; it is adulterated before it reaches the consumer, I am afraid.

536. What quantity of salt is permitted to be imported from the Madras presidency?—That varies in different years; it depends partly on the quantity we can produce in Bengal, and the quantity that we think we can bring to sale.

537. What is the greatest quantity you have ever known imported?—I do not think there are more than four or five lacs of maunds imported generally.

538. Seeing that the contract price is less in one case than the other, what has induced the government of Bengal to prefer purchasing a far greater quantity of salt at a higher price?—That is a question which is not very easily resolved; my opinion is, that we should purchase more of the one than we do at present.

539. Can you state what is the reason that induced a commercial company to prefer purchasing at a high price rather than at a low price?—My opinion is, that there can be no good reason. I do not know that we could suddenly import from the Coromandel coast a quantity sufficient to supply the whole consumption of Bengal; but my belief is, that we could gradually increase the quantity, and perhaps ultimately supply the whole consumption of Bengal by importation from the coast, upon better terms and with greater advantage, proportionately reducing our Bengal manufacture.

540. Although

February 1832.

H. St. G. Tucker, Esq.

540. Although there might have been a difficulty in obtaining, in the first instance, all the salt that might have been required from the Coromandel coast, have the Company taken pains to obtain as much as they could, or have they restricted, or do they intentionally restrict it?—The plan of the Bengal government has been to supply from the coast the deficiency of the Bengal manufacture. My individual opinion is, that they ought to import as much as possible from the coast, and in the same proportion to reduce the Bengal manufacture.

541. Can you explain to the Committee why it has been thought wise to pursue a different course; what is the object, what is the motive?—We found the manufacture established. The monopoly has been attended with considerable profit; and the government of Bengal may not have wished to put that profit at risk by having recourse, experimentally, to an untried alternative; but I repeat, my individual opinion is, that the substitution of the coast salt for the Bengal salt is highly desirable. There is a prejudice (and that perhaps constituted one of the reasons which influenced the Bengal government) in favour of the Bengal salt on the part of the consumer, and the price of the Bengal salt has hitherto been higher than that of the coast salt in the Calcutta markets. This difference of price was, perhaps, equal to the difference of cost, so that upon the whole, as large a profit was probably realized by continuing the Bengal manufacture as would have been obtained by making the substitution, which I am disposed to consider advisable.

542. Under what rules and regulations is the salt sold by the Company?—The salt is put up periodically for public sale in lots; I think they were formerly quarterly, but now they are monthly.

543. Put up in lots of what size?—They were formerly 1,000 maunds, but I believe they have been reduced to 500.

544. Are they put up to free and open sale?—Yes, to free and open competition.

545. Are there many purchasers, or only a few?—A considerable number of purchasers. There are sometimes speculative purchasers, intermediate between the Government and the merchant (brokers and others); but the number of purchasers is considerable.

546. Have the goodness to state what is the usual selling price?—The price of the Bengal salt varies from 350 to 450 rupees the 100 maunds; that is, it sells generally at from 350 to 450 rupees.

547. Does the price vary much from year to year, or from month to month?—It has varied between those two extremes; but it has rarely been below the one, or has much exceeded the other.

548. Do the purchasers contract to remove the salt at a given time?—A rowannah or pass is issued, which runs for a particular time; but they clear it out very much according to their own convenience.

549. Have you ever known instances of the purchasers complaining that they have been unable to realize the price they have undertaken to give; and have you known allowances made on that score?—I do not recollect such instances. It is usual to make a deposit on the sale, which of course would be liable to forfeiture if they did not clear out the salt ultimately.

550. Can you inform the Committee what is the usual difference between the price at which the Company sell, and the price at which the consumers in the different parts

parts of the country ultimately purchase the salt?—I am afraid the price to the consumer is considerably enhanced in the retail sale, and the article is also deteriorated; but I could not undertake to state the exact rate of enhancement, because it varies in every district, and perhaps in every market. Part of the selling price to the consumer, of course, consists in the charges of transportation, and the profits of the intermediate agents, and these will be different in different situations.

551. But salt that is consumed in and about Calcutta can have its charge very little increased by transport; have you any means of knowing in what the price is enhanced, compared with the price at which the Government sells, to the consumer in Calcutta and its immediate neighbourhood?—The retail price in Calcutta exceeds, of course, the wholesale price; but I could not undertake to say at any given period what has been the ratio of increase.

552. Speaking generally, do you think the high price of salt presses inconveniently on the inhabitants of Bengal generally?—My opinion is, with reference generally to the character of the tax, that it bears by no means heavily on the population; or at least, I am disposed to think that it would be exceedingly difficult to substitute any direct tax which would bear more lightly; although it is not absolutely a voluntary tax, yet it is paid insensibly. The consumer, if it be considered a necessary of life, is of course under the necessity of paying the tax. In remote and small markets it would be difficult to say in what degree the price of any article, when extremely scarce, may be enhanced; but I speak with relation to those paid generally by the consumer.

553. Are you able to say whether it is likely that it may have amounted to several hundreds per cent.?—Unquestionably, beyond the cost of manufacture. The monopoly does enhance the price to the consumer several hundreds per cent., no doubt. Our own tax, without the intermediate profits of merchants and retailers, amounts to several hundreds per cent.

554. Can you inform the Committee the limits to which this supply of salt extends; at what distance from Calcutta is it met by the supply from the West?—It supplies the whole of Bengal proper, Behar, and Orissa; but in Benares it meets the Western salt.

555. Do you know in what way the salt is obtained; is it from brine springs or salt lakes?—Much of it is produced from salt lakes in Malwa.

556. Do you know any thing of the nature of that salt?—It is considered inferior to the Bengal salt.

557. Do you entertain any doubt that, if a cheaper and more plentiful supply could be obtained in Bengal, that a much larger surface of the interior would be supplied from that source than there is at present?—It has been an object with us to extend the use and consumption of our Bengal salt, from which we derive so large a revenue; but we are in this dilemma; the salt from the lakes of Malwa is produced much cheaper than the Bengal salt at our sale prices. If we impose a duty sufficient to bring the Western salt on a level with the Bengal salt, we inevitably produce smuggling: the frontier is so extensive that it cannot be guarded, and a high rate of duty, under such circumstances, will always be injudicious; so that, in point of fact, we cannot bring that salt to a level which would induce the consumer

23 February 1832. — H. St G. Tucker, Esq.

sumer to give a preference to our own. An attempt was made in 1805, after obtaining possession of the Western Provinces, to introduce a monopoly of the Malwa and other salts on our Western frontier, but it failed totally.

558. Is the salt that is introduced in the westward charged with a duty in the countries in which it is produced?—At present a great part of the territory is under our own influence; Malwa, for instance.

559. Is it excised?—It pays a duty in any native independent state in which it is either produced or through which it is transported, and it also pays a duty upon our own frontier; but that duty has now been rendered moderate, in order to prevent smuggling.

560. Is not salt so bulky a commodity that it is difficult to smuggle it?—It is difficult, but not impracticable.

561. What is the distance of the source of that salt, (the Western Salt) from the point at which it meets the Bengal salt, compared with the distance to that point from the Bengal monopoly?—The Bengal salt reaches as far as Benares, which in a line by the river is more distant, but in a direct line about 400 miles from the presidency; the Western salt imported has to traverse a considerable extent of country to Benares.

562. You have given me the distance from the Benares point, now I want to know the distance from the western point to Benares?—The distances are much more considerable; I should suppose to Benares, the Western salt is conveyed about 800 miles and it supplies the intermediate country.

563. Now what is the comparative difficulty of transport over those two distances of country?—The transportation, although against the stream, is more easy, perhaps, and more certain from the Bengal provinces. The salt from Malwa and the western lakes is transported a considerable distance by land in hackerys (carts), or on bullocks.

564. Then you conceive that the Bengal salt may be more easily transmitted to Benares than the Western salt can be transmitted to the same point?—Decidedly, the latter, for a part of the distance (*i. e.* from Furruckabad, Cawnpore, Agra, and some other places), is transported by water; but in the route from the western lakes, and in crossing the Dooab, it is transported by land-carriage.

565. Therefore, notwithstanding the obstacles presented by a double distance and greater difficulties of transport, the Western salt is produced so cheaply as to meet the Bengal salt in the Benares province?—Yes; because the import duty on transit is not nearly equal to the profit or monopoly price.

566–7. Have you stated what the amount of duty levied at our frontier is?—That has been altered. I think it appears in the Regulations of 1819.

568. Is it your opinion that the manufactory of salt, as conducted under the Bengal monopoly, is more expensive than it would be if conducted by private manufacturers?—I should doubt it very much; it is impossible for me to say what private agency and individual ingenuity may effect, but my belief is that our manufacture is conducted with great prudence and economy. I have not been able to make the comparison with any manufacture tried by individuals, and therefore I will not go so far as to say that individuals may not be more successful than the agents of the Company in producing the article at a cheap rate; but my belief is that great attention

tion is paid by the Company's servants to the manufacture, and that it is produced as economically as circumstances will permit.

569. Do you not conceive that the establishments maintained by the Company for that manufacture are upon a more extensive scale than might be necessary for conducting the manufacture under private management?—The only establishments are the public servants, whose agency is considered necessary to conduct and superintend the manufacture; the principal European officer is paid by a commission; whether that commission exceeds the profit which a private individual would be content with I cannot undertake to say.

570. With reference to the supply of the interior of the country, and to the probability, under the circumstances under which the trade is conducted, of its being a very scanty one, I beg to refer you to this, which is an extract from a letter from the Governor General's agent from Ramghur: "I shall rejoice if your plan for extending the supply of salt to the country in general is carried into effect, because the greater part of the districts under my agency are at times much distressed for want of that necessary article. Singboom in particular is so very precariously situated, that once or twice the surka coles have assembled in large bodies round my tents, earnestly beseeching me to apply to Government to adopt some means to their being regularly furnished. The zemindar of Singboom the other day wrote to me, stating he had not a seer left on his estate, and begging that I would give him a note to the salt agent to enable him to purchase a supply. Salt is only allowed to be transported into Singboom by the way of the Bermool pass. A glance of the accompanying sketch of the frontier of those places will show the hardship of being obliged to bring the salt from such a distance when it really could be got on the border of their district; besides the length of the journey, the poor fellows are obliged to pay a toll to every chief through whose district it passes, and there are at least half-a-dozen of them; the consequence is, that salt is smuggled whenever an opportunity offers." With reference to that statement, what is it that occurs to you?—I think it highly probable that the district of Ramghur, which is an inland hilly district, may sometimes be very inadequately supplied; and that in consequence of the salt passing through the terries of petty chiefs, it may be liable to great exactions, likely to produce a great enhancement of price. It must be observed also, that on that frontier (Singboom I mean, or the Jungle districts bordering on the Hidgellee agency,) there are great facilities for smuggling; and the agent may perhaps find it necessary to impose checks and restraints, which may operate in obstructing the transit of salt, and by consequence in enhancing its price. I may observe further, with reference to that part of the country, that the transport of salt by the Ganges to Patna, and from thence to Ramghur, is attended with a very heavy expense; and I think it possible that the district of Ramghur may be one of those to which Sir Charles Forbes alluded, where, from the difficulty and expense attending its transportation, the salt comes to the consumer no doubt very much enhanced in price.

571. But if that were the cause of the enhancement, it could hardly be said to be produced by the monopoly, because the difficulty of transport would have that effect on salt produced by any other means?—The difficulty of transportation would of course be the same whether the monopoly existed or not; but if we were not compelled, with a view to the preservation of the monopoly, to place restrictions

23 February 1832.

H. St. G. Tucker, Esq.

upon that frontier, Ramghur would be supplied from Cuttack and from the Midnapore agency, through more direct channels.

572. Do you believe that much salt is smuggled into consumption from the different factories, of which no account is rendered to the Company at all, and that salt is in point of fact removed from the manufactories without being conveyed into the Company's warehouses?—I think it very probable that the molungees or manufacturers themselves smuggle a little salt; and I hope they supply their own consumption. I think it also possible that, by the collusion and connivance of the public servants, even the regular merchants sometimes remove a larger quantity of salt than they are entitled to under their passes from the district golahs. The Madras salt is all warehoused and disposed of at the sulkeah golahs, about a mile from Calcutta; but in all the salt districts from whence the salt is removed under these passes by the merchant himself, it is very possible that our servants may sometimes allow greater quantities to be removed than the rowannahs or passes express; but I believe the check is generally very efficient at the chokees.

573. Have you heard any estimate which you think nearly correct of the quantity of salt which finds its way into consumption in Bengal which is smuggled?—I could not undertake to estimate the extent of smuggling; my own opinion is that it is not very extensive. I should observe, as a sort of palliation of the monopoly restrictions, that as soon as the salt leaves the salt districts it passes perfectly free; we place a barrier, by means of the salt chokees, around the manufacturing districts, but as soon as it passes that barrier, there is no further hindrance to its passage.

574. Was your attention ever drawn to the possibility of a trade with England in salt; do you know at what price it could be imported from Liverpool?—I cannot answer the question, because I cannot undertake to state at what price it could be imported. I have not paid particular attention to the prices in this country; and the charge of transportation of course would vary with circumstances. In time of war, in consequence of higher freights and higher insurances, the article must necessarily come much higher; and we could never certainly allow our population to depend on a casual or uncertain supply. I may go on to observe, that I doubt extremely whether our native population would be disposed to consume your English salt, for their prejudices are very strong, and they have, I believe, at this moment, an idea that your manufacture takes place in a manner which they would consider impure; that you employ in the purification of your salt materials which they would esteem impure; and that they would be very much disposed to reject the article, if they were aware of its origin.

575. Under these circumstances, the Committee would think it probable that no obstruction whatever has been placed in the way of English salt, either by duty or by regulation; is that so?—There is a prohibition against the importation of all salt, except under permit or license, or contract with the Bengal government.

576. Would that be necessary if there was a disinclination to consume English salt?—It would be a question then for the Government to determine, I presume, whether the importation of that salt would interfere with our Bengal revenue, the "Bengal monopoly," as it is called; whether we could realize a duty on our importation of English salt, which would compensate us for giving up the Bengal monopoly.

577. During

16 February 1832.

H. St. G. Tucker, Esq.

577. During the time you were connected with the revenue in Bengal was any attempt made to import salt from England?—I do not recollect any.

578. During the time you were connected with India, did the possibility or probability of gaining by importing salt from England ever come under the consideration of the Bengal government?—It never, that I recollect, came under the consideration of the Bengal government; and I myself individually should have doubted whether it would be received by the consumer, and therefore, whether the project of its introduction would not be altogether visionary. I myself, in consequence of a plan having been proposed by one of the public servants in Bengal to purify the coast salt upon the plan of the Liverpool manufacture, recorded upon the proceedings of the Court of Directors a dissent, or minute, explaining the grounds on which I considered it highly unadvisable to make any such attempt. That document may of course be obtained and referred to by the Committee.

579. Would it not have been, under the circumstances you describe, desirable to have given the British trader a fair chance, or at least a fair opportunity, of trying the experiment of the market, and ascertaining by experiment whether or no the Hindoos would have continued to have objected to his salt?—I have no objection to your making that experiment, provided we, as a government, are allowed to impose a duty on importation sufficient to protect our Bengal salt revenue.

580. Do you know the amount of duty that is now charged on salt, if any should be imported from Great Britain?—I do not recollect that the importation is recognised by our local law or regulations; if any importation were allowed, there must be a protecting duty.

581. Do you know under what Regulation such salt would be admitted into Bengal?—I think the last Regulation, prescribing the duties on importation, was passed in 1819. I really do not wish to say much of that Regulation, as it seems to me to be somewhat extraordinary and questionable: it enacts, that salt imported, without being on permit or contract, shall be deposited in the Company's golahs and sold. If it realize 300 rupees per 100 maunds (or a duty of three rupees per maund), the whole goes to the Company; if it realize more, the excess goes to the importer; if it realize less, it is required to be *destroyed.*

582. I wish to ask if any merchant would import salt under those Regulations?—Unquestionably it has been imported, because the selling price generally exceeds the duty of 300 rupees per hundred maunds, and is sufficient to give a remunerating profit to the importer.

583. Is it within your knowledge that it has been imported from Great Britain?—No.

583*. From what country then?—From the Coromandel coast.

584. Has any salt come from Persia?—It is imported from Muskat in small quantity.

585. The Committee conclude that it is the main object of the Indian government, in adopting the regulations which are now adopted in Bengal, to raise as large a sum as they can in the nature of a duty on salt, provided only the largest revenue is secured which they can fairly obtain on it, to give their subjects the cheapest and best supply in their power; I would ask you, whether you are of opinion that the regulations now in force are the best that could be devised for securing those objects?

23 February 1832.

H. St. G. Tucker, Esq.

objects?—I could not possibly undertake to say that the present, or any other system which could be devised, is the *best* which could be devised. Our object has been to raise as large a revenue as possible, always considering, of course, the comfort of the consumer, and the means generally of promoting that object in the best manner. A material improvement, as I have stated before, may, I think, be effected by increasing the importation of salt from the coast of Coromandel, and by reducing our own manufacture in particular objectionable situations.

586. Will you turn your attention for a moment to the question I am about to propose to your consideration: Suppose, for a moment, that the Company were to lay aside, in the matter of salt, their character of merchants, and were neither to buy nor to sell salt, but were to leave the dealing in salt to such merchants as might be disposed to undertake it; suppose that their whole attention was directed, as governors, to raise by taxation the largest revenue they could secure from salt, whether made or imported; suppose that on all salt made in Bengal an excise duty should be charged and levied under regulations which should be sufficient to secure the duty, founded upon similar principles to those which were established in England for securing the revenue here; supposing, with reference to all salt to be introduced by sea, whether from Malabar or from the coast of Coromandel, or whether from England, a fixed customs-duty should be taken; do you think that, under such a system of regulations, the revenue to the Indian government might be effectually secured, and as large an amount as is at present collected; and do you think that the supply to the inhabitants of Bengal might be enlarged and improved?—That is a very comprehensive question; in fact it embraces many objects. I can only state, generally, that the substitution of an excise for that profit which we now obtain by means of the monopoly, would be expensive and extremely vexatious. If the supply to the consumer could be furnished wholly by importation, we might fix a very high import as a substitute for the monopoly profit; but all high duties are liable to be evaded by smuggling, and I should very much doubt whether, in the case of our succeeding in substituting salt by importation for the salt at present manufactured at home, we could, by means of the import duty, derive the same revenue. The Committee will be pleased to observe, that the Bengal salt is manufactured within narrow limits; that the monopoly profit may be considered as something approaching in effect to an excise duty; an excise duty levied, I may say, at the place of manufacture on the whole consumption. If we waited until the salt was spread over the country, and then levied an excise, or a duty upon transit, we could not effect that object without an expensive establishment, nor without rendering the tax, in my opinion, extremely vexatious to the people.

587. The Committee, from documents which they have been enabled to have recourse to, have reason to believe that the contract price of salt which is paid by the Bengal government is generally 1 *s.* 2 *d.* the bushel; that there are other charges which generally raise the cost of the salt to them to about 1 *s.* 6 *d.* a bushel; it appears that the average estimated selling price from the government warehouses is about 5 *s.* 3 *d.* per bushel, so that the tax, or the profit to the Government, may be estimated at something less than 4 *s.* per bushel, which is equal to a duty of about 270 per cent. Now, supposing that the principles upon which our excise duty upon salt, which was infinitely higher, were regulated, and were applied to the salt

salt factories in Bengal, where, in your opinion, would be the difficulty in charging on the salt introduced in the golahs a duty of 2 *s.* 6 *d.*, always supposing that that class of officers which are now found efficient to prevent smuggling under the present regulations would be equally efficient to prevent smuggling under those regulations, without the possibility of their being more costly under the new system than they are under the old one; and supposing only that the duty introduced into the golahs was not to be paid until the salt is carried out by the merchant for consumption, and that no persons were permitted to trade in it but those who could give security that the duty should be paid: under such regulations, could there be by possibility a greater difficulty in ensuring the amount of duty, which we suppose to be 270 per cent., in the one case than in the other; that is, under the suggested regulations and those that now exist?—If the monopoly were abandoned, and the manufacture of salt were left to private individuals, it appears to me that it would be extremely difficult to levy a duty, in the shape of an excise, commensurate with the present profit of the monopoly. There is a great temptation to evade all high duties; and there would be facilities, I think, sufficient to enable private manufacturers and dealers to supply a portion, and no inconsiderable portion, of the consumption by evading the duty.

588. The facilities, what will they be?—The local consumption of the districts in which the manufacture takes place would, I have no doubt, evade the duty very generally, and I believe that at present, to a certain extent, it is evaded; but my opinion is, that there would be an illicit manufacture and exportation from those districts, under such a system, to an extent materially injurious to the revenue. I cannot well imagine any checks which could be well imposed on the manufacturers and dealers sufficient to secure the application of the duty to the whole manufacture. At present the whole manufacture is in our hands, and our monopoly profit is derived from nearly the whole manufacture: under a system of private management, my apprehension is that no inconsiderable quantity would escape the tax.

589. Under the regulations that were established in England, all persons were prevented arbitrarily from making salt who did not enter their premises and obtain permission from the Excise to do so; would there be any difficulty whatever in applying such a regulation in Bengal, and would not such a regulation as effectually prevent the clandestine manufacture of salt as the regulations which exist at present, and which are described by you as effectually accomplishing that object?—I am not sufficiently acquainted with the excise regulations of this country to be able to say how far they could be applied with effect to the manufacture of salt in Bengal; but my belief is, that any excise regulations which could well be introduced into Bengal, would be liable to be evaded, and that they would generally operate vexatiously on the people.

590. Can you point out in what way they would be likely to operate vexatiously to the people?—My opinion is, that the people of India ought to be exposed as little as possible to the interference of revenue officers of any description.

591. Is it possible that any interference can exceed the interference which is applied to the manufacturers of salt at present in Bengal? Are they not under restrictions as absolute, in order to secure the monopoly, as they could be placed under

23 February 1832.

H. St. G. Tucker, Esq.

in order to secure the revenue?—The manufacture of salt is at present under the government officers, the government agents and servants.

592. If the change that has been suggested took place, would it not still continue under government officers and agents and servants?—That would depend on the nature of the system which it may be proposed to introduce in substitution for the existing system. I suppose the question to assume, that the manufacture is made free to any persons who may choose to engage in it. Supposing the manufacture to be conducted by individuals, you must have a host of revenue officers to superintend their transactions and concerns; at present the Government employ the molungees, who are the labourers, in producing the salt. Their condition, as I have before stated, may not be such as is desirable, but by substituting private agency, I do not know that their condition would be improved.

593 There was no idea, when the question was suggested to your consideration, that any individual who liked to embark in the trade might be permitted to do so; but the idea that was suggested to you was, that no person should be permitted to make salt who did not point out the premises on which he was desirous of making it, in such a way that Government might be satisfied that they could be surveyed and properly looked after. The idea was, also, that a license should be obtained for making the salt, and that the manufacture should be carried on under the same sort of guard or superintendence that is now applied to the manufacturers who make by contract for the Company: the idea also was, that no person should be permitted, although a private manufacturer, to sell salt, without having, in the first place, conveyed it into the government golahs, as a security for the duty; that no sale should take place at the place of manufacture, but that in every instance all the salt made should be carried into government warehouses, in the same way as the government salt imported would be if it were warehoused for the security of the duty, but that the duty should be collected from the merchants at the time they effected their private sale to the dealers who are to transport it over the country. If these objects could be secured, would not a great part of the difficulties you have mentioned be remedied?—I believe I understand the question; it seems to me to be this, that individuals, under license, should be allowed freely to manufacture salt, under the obligation that it should be deposited in the public golahs, or warehouses, where it would be subjected to an excise. My belief is, that smuggling would take place between the period of manufacture and place of manufacture, and the period of its being so deposited in the public golahs, therefore we could not apply the tax to the whole quantity produced. The plan would seem to me to resolve itself into a change of agency merely, as regards the manufacture; and I very much doubt whether that change of agency would produce any benefit, either in regard to the price or cost of the article, or in regard to the well-being of the parties whose labour is employed in producing the article.

594. Be so good as to state why you think that the present force of chokees, who are at present capable of preventing the smuggling under the present system, should not be equally capable of preventing it in the system under consideration?—The same chokees, in either case, would be equally efficient in preventing smuggling from the salt districts; but if we put the manufacture out of our hands into private hands the individual manufacturers will have means and facilities of supplying, at all

all events, the consumption of the salt districts; and they will have, I think, greater means even of smuggling for the supply of the country more generally.

595. Do not Government, in point of fact, agree to give a contract price, so much per maund, for all the salt made now; is not that the case?—Yes; they arrange, at the commencement of the season, with the manufacturers for estimated quantities at particular prices.

596. In what sense, then, can it be said that the present manufacturers of salt are not manufacturers supplying you on contracts?—They are manufacturers certainly, but manufacturers under the superintendence and agency of the public servants.

597. Why then would not you be equally secure if the salt was made by private manufacturers under the superintendence of government officers, who should be called excise officers instead of salt agents: instead of monopoly agents, call them excise officers; where is the shadow of difference?—I supposed when this projected system was mentioned, that it was proposed to consign the manufacture either to the zemindars or to large capitalists; if all the change intended be, that the molungees shall manufacture the salt and deposit that salt in the district golahs, the change appears to me to be nominal, as far as the first process is concerned.

598. There must of course be a new mercantile capital introduced, instead of the mercantile capital which is now furnished by the Company; somebody must appear in the character of the manufacturer or merchant; but still the question always supposes, that whoever was employed, rich or poor, that he would be under the surveillance of the Government, and it does not occur to me to put the question to you, that you would have more difficulty in controlling a wealthy individual than a poor molungee?—But the wealthy individual would have better means of smuggling than the poor molungee, as I understand the idea which has been thrown out.

599. Do you entertain any doubt, that under such a system as has been suggested to you, that a fair competition of commercial capital would insure to the individual consumers a delivery of salt at a much lower price, as compared with the cost price and the duty, than they obtain it now, when a sort of second monopoly arises between the monopoly of the Company and the consumer, by its passing into the hands of wealthy merchants?—The government duty constitutes the great element in the price to the consumer. Whether private agency could introduce the article on cheaper terms than the present government agency I cannot undertake to say; but it does not appear to me that, by introducing and substituting private agency in the manufacture, any material change would take place in regard to the price to the consumer, unless either the public duty were reduced, or unless the cost of production were diminished by means of such private agency.

600. Do you not think that the limited quantity that is now supplied to the Government, that the limit which it is now found necessary to impose on the quantity in the government sales, would be very much got rid of, and that the private merchants would find the means of supplying a considerable quantity always with the amount of duty imposed?—It has been an object with the government of Bengal to increase their sales gradually, and indeed as far as they can be extended, without materially reducing the public revenue. The sales heretofore amounted only to about

23 February 1832.

H. St. G. Tucker, Esq.

about 38 or 40 lacs of maunds, and now we bring 48 lacs of maunds to sale. We regulate the supply of the market with reference to the selling prices, extending it when the prices rise, and reducing it when we have reason to believe that the market has been over supplied.

601. Do you entertain a doubt that if merchants could enter freely into this trade, always paying the amount of government duty, that they would, by the natural process of competition, extend the supply and reduce the price to the people?—I do not see how the price to the consumer is to be reduced, except by economising in the charge of producing and conveying the article to the consumer, or by a reduction of the public tax.

602. Suppose that the public tax, or rather the monopoly profit to the Company under the present regulations, should appear to be 275 per cent., and that a duty of 275 per cent. was imposed on all salt imported from Great Britain, what objection, in your view, could there be to admitting the free importation of salt from Great Britain, from permitting it to be warehoused on its arrival in public golahs, the amount of duty to which the salt was liable being paid in the usual way, in the way usual in England on its being taken out of the warehouse to be sold for consumption; will that either lead to a loss of revenue, or in any way injure the government of Bengal?—The present monopoly profit, which has been estimated at 275 per cent., would have produced the same revenue, when applied to the same quantity, from whatever quarter that quantity might come; but I have stated already, that I doubt very much whether the Indian consumer would receive your English salt. I have also stated that it would not be desirable that the Indian consumer should be left to any uncertain supply.

603. We will not suppose that any uncertainty should be created, or that the Bengal government should be intended to forego any compulsion; the question merely supposed the permission; and the object was to know what objection there could be to granting such a permission, leaving persons to avail themselves of it or not according to circumstances, as they might turn out, to know whether the government of Bengal could be losers of revenue, or whether any injury could be done to any body?—The Bengal government could not be losers by levying the same rate of duty on the same quantity; but there are many considerations involved in the question of substituting, at any duty, the English article, if English salt will not be received by the Indian consumer.

604. We only suggest competition; where lies the objection to giving permission?—I have no objection to that if the people will eat it, and you do not supersede the other. It is possible that the English salt, by a greater degree of cheapness (not that I assume that fact), might supersede in time our own manufacture, and leave us dependent on a *distant*, and by consequence an *uncertain* supply. The like duty on like quantities must produce the like result. I consider the two countries united as one; I wish to see India treated as the county of York.

605. Are you aware whether the Court of Directors had ever contemplated a change of this description?—Of substitution?

606. Yes.—Not that I know of.

607. You do not happen to be acquainted with the letter in the separate department from the Court of Directors to the authorities at Bengal, dated the 10th June 1829,

1829, in which they remark upon certain communications from the Board of Revenue in Bengal, and make use of this language: "With respect to the supply from the coast, we shall call for more information on the subject from the Madras government, and shall not decide without mature consideration; but the present impression on our minds is, that an arrangement with reference to that which now exists might be made for obtaining the whole to be supplied from the coast, and putting an end to the Bengal manufactory, with its complicated and most expensive machinery?"—I was a party to that letter; and I have already stated most distinctly that I have long wished to substitute, as far as possible, coast salt or Coromandel salt for our own; give me, the cheapest and best article, and I do not care from whence it comes in the present instance.

608. In respect to the difficulty of substituting an excise superintendence for the present monopoly agency, is it not the case that the manufactory of salt in Bengal is necessarily confined to a particular district?—There are only particular situations in which salt can be produced; the districts must be within the influence of the tides. Salt is produced from the deposit made during the spring tides, therefore the manufacturing districts are confined to what may be considered the neighbourhood of the coast.

609. Well, that being the case, does it not therefore insure the Government, under a change of system, against any difficulty which may arise from the diffusion of the manufacture over a very large extent of that territory, and the consequent difficulty of collecting the revenue over a very extensive surface?—The extent of line from Cuttack round by the Sunderbunds to Chittagong is very considerable.

610. Therefore, if that were even placed under an excise, the superintendence would not be more extensive under the excise than it is under the agency?—Certainly not, if you mean (as we do at present) to leave the salt perfectly free from all further restriction as soon as it quits the salt districts.

611. If the excise control was confined to the manufacturers, and not to the consumption, the extent of territory would add no difficulty?—No; the extent of territory would be the same.

612. Are you aware at all of the nature of the present system at Bombay?—Not particularly; I believe the revenue there is collected by a custom-house or transit duty.

613. Are you not aware that the system at Bombay has been lately placed on the system of private manufacture under government duty?—I believe it has; but the Bombay system can never produce a revenue on the same scale as the Bengal system, because I have already stated that it is impossible to collect a transit duty to the amount of 275 or 300 per cent., without it being generally evaded; every transit duty must be moderate.

614. In the evidence of Mr. Mill, in the Report of 1831, he describes the Bombay system thus: "The mode of calculating the revenue is by an excise duty upon what is delivered; the system has been recently adopted, and Government have ceased to manufacture salt on their own account; and the mode of collecting is by an excise duty on their manufactures, and an equivalent duty on that which is imported;" is not that precisely the system which has been mentioned to you?—That is the system which you appear to have in view.

Sabbati, 25° die Februarii, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

III.
REVENUE.

25 February 1832.

Alex. Reid, Esq.

ALEXANDER REID, Esq. called in and examined.

615. WHERE do you reside?—I reside at Liverpool.

616. Are you now, and have you been for any length of time, connected with the manufacture of salt in England?—Yes, I have, for five or six years.

617. Do you manufacture salt on your own account?—Yes.

618. At what place?—In Cheshire and in Worcestershire.

619. At what place in Worcestershire?—Stoke Prior: Stoke Wych it is called now.

620. Do you manufacture for the home market or for export?—For both; but the largest portion is for export.

621. Of the quantity of salt that you manufacture, what proportion is sold in the home market?—I cannot exactly say the proportion. The total quantity of salt shipped from Liverpool last year was about 320,000 tons, of which I think about 80,000 tons might be for home consumption.

622. Do you manufacture salt from brine springs, or is it rock-salt?—Entirely from brine.

623. Were you a manufacturer at the time that a duty was taken upon salt in this country?—We commenced just when it was taken off; but I know the detail of the management under the duty system also, though not a manufacturer at that time.

624. To what countries do you export salt?—To America. I find last year there were 80,000 tons exported from Liverpool.

625. Do you mean the United States?—Yes.

626. Do you export salt to the British provinces in North America?—We do, to a large extent, also.

627. To the West India islands?—To the West India islands.

628. To South America?—To South America.

629. Do you send round Cape Horn?—The Americans, I understand, send a good quantity: I cannot say we do.

630. To New South Wales?—We do.

631. Do you send salt to Africa?—Very largely.

632. To what parts?—They go by the British ships trading to all parts of the coast.

633. Is any salt sent through the Straits of Gibraltar?—Fine salt is, but not to a large extent. I find from the Customs returns last year to the United States, there were from Liverpool 80,000 tons, 60,000 to British America, [illegible] to the different ports in the Baltic, 40,000 tons to Ireland, and about 80,000 coastwise, for home consumption in England.

634. Does

25 February 1832.

Alex. Reid, Esq.

634. Does that close the whole?—That closes the whole. In addition to that, there are manufactures in the interior, say the upper part of Cheshire, Staffordshire, and Worcestershire, that supply the home market, which are not included.

635. Is the quantity of brine in the red marle districts of England so abundant that a large addition could be made to the quantity of salt exported, without raising the price?—I conceive it is: inexhaustible, I think.

636. Does the cost price of salt depend entirely upon the price of labour and upon the cost of fuel, and in no degree upon the plenty or scarcity of the brine springs?—The cost of salt depends upon the cost of fuel and labour, which of course must be estimated at the place *where* the brine is found; also on the strength of the brine, and its proximity to a port of shipment.

637. Do you believe that a considerable addition could be made to the export of salt without increasing the price?—I conceive that it would not materially increase the price; that the price of salt would be fixed at a rate to afford a mere return for the capital employed by the manufacturer.

638. The question is with a view to ascertain whether the necessary price of salt would be permanently increased by an additional demand?—I conceive, from the nature of the salt manufacture, and the supply of the raw material, which is the *brine*, being apparently inexhaustible, that the same fluctuation could not take place in that manufacture as in any other, and that a very large increase could take place without increasing the price to any considerable rate.

639. Is the salt which you export all in the same state, or is it prepared differently for different markets?—It is prepared differently for different markets.

640. Be so good as to point out the causes of the difference, and the difference of the manufacture?—Salt for Ireland intended for the making of butter, must be prepared with a very fine grain to melt easily. Then again, for the curing of beef or provisions, it is necessary to have a round grain, that it may not melt so readily upon the provisions. Another thing that regulates the quality necessary for the different countries, is the mode in which it is introduced into those countries; for instance, in America, where the duty is paid upon the import of salt *by weight*, and the sales are effected by *measure*, they require very high-dried salt; this is also the case in Russia and in Africa; but I conceive where the duty is levied by *weight*, and the salt is sold by *weight*, the same causes do not operate, and that the common salt would be applicable to any market generally.

641. Are your factories in such a state that you could with facility produce any commodity fit for any market, be the demand of what description it may?—It merely depends upon the temperature you bring the brine to for the purpose of evaporating. It is done in a day, or in an hour, by regulating the furnaces.

642. What process does the salt which you export undergo?—The brine is pumped up in a pure state, and put into a pan, and heat applied merely to make it boil and evaporate the fresh from it, leaving the deposit of salt; nothing whatever is used to refine it.

643. Can you state with the utmost confidence that no animal matter is used to purify the salt?—Decidedly not.

644. You can give the Committee the most positive assurance as a manufacturer of the truth of that statement?—I can.

25 February 1832.

Alex Reid, Esq.

645. Generally speaking, not confined to your own manufactory?—I can speak positively to all the salt manufactured from brine.

646. Of the quantity of salt exported, is any considerable proportion made from the rock-salt; do the rock-salt manufacturers export much salt?—They cannot do it at the cost of salt made from brine, because the expense of the rock would cost 4 *s.* per ton, and the brine costs merely the expense of pumping into the pans.

647. When you speak of exporting salt largely, the Committee are to understand you mean salt made from the brine springs?—Entirely so.

648. In the manufacture of which nothing is used of an obnoxious character?—Nothing whatever.

649. Of the total quantity of salt exported from Great Britain, what portion is exported by yourselves?—For export, I think, about one sixth of the whole we either ship ourselves or sell to exporters.

650. Does the statement you have made with reference to your own salt apply equally to all the salt exported, or do the others use a different process?—It applies to all salt equally made from brine.

651. Is the process of making salt from rock-salt precisely the same as when it is made from brine?—The fact is, that they merely melt the rock to obtain brine; but you may observe, that if the rock costs 4 *s.* a ton, and we get the brine for nothing, merely for the expense of pumping up, they cannot meet us in the market; they allow about a tenth part of the rock for impurity, consequently they are paying about 4 *s.* a ton for the brine which we get for nothing.

652. Have you ever had occasion to turn your attention to the possibility of salt being exported to the East Indies?—Yes, I have very much; and the result is, that I believe that if British salt were admitted into India upon the payment of duty the same as salt manufactured there, we should obtain a large portion of the supply of that country.

653. At what price do you think you could sell salt at a profit to yourselves at Calcutta, duty free, including the tonnage and insurance?—I would assume the price at the works, 13 *s.* a ton; the cost of transport to the ship, 3 *s.*; then the town-dock dues and charges, 1 *s.*; the insurance, at 40 *s.* per £100 value, would be about 6 *d.*; then at present some ship-owners would take freight at a rate which I do not think is fair to calculate as a permanency. I am offered just now to take salt at 20 *s.* a ton; but in estimating the freight, I have consulted a great many extensive owners, and they say, that a large trade could be had in salt, to pay them well, at a freight of 40 *s.* per ton.

654. Is there anything in the general character of the trade with India which would make it convenient to the shippers of other goods to have such a commodity as salt by way of dead weight?—Yes. We see that there is a large surplus of tonnage imported compared with what is exported; therefore there must be a surplus of shipping to take out salt.

655. Would the quantity of salt exported depend always upon the quantity of other goods upon which the payments for freight would chiefly be made, or would the salt be taken merely as dead weight to complete a cargo?—Yes; but I conceive that an inducement of 2 *l.* a ton on the voyage out would increase the imports from India.

656. What

25 February 1832.

Alex. Reid, Esq.

656. What size are the free traders that go from Liverpool, upon the average?—From 300 to 400 tons.

657. If you took up a whole vessel, how much per ton would the freight be?—It would be an inducement to the ship-owner to take a lower freight. When the ship is taken up for goods, the detention in port and loading for a better freight is generally very considerable. It is known that a ship lies loading for two months sometimes. Now a vessel that took salt entirely we could load in three days; therefore a ship-owner would be glad to load an entire cargo at 40 *s.* per ton freight.

658. If salt could be exported, would it diminish the average time which each vessel remained taking in the cargo, and would the general expenses be diminished on that account?—Very much so. An important consideration to the ship-owner and to us, as looking for a trade, would be, that if a vessel could obtain 100 tons of dead weight immediately that she is ready, the manufacturer or exporter of the other goods, seeing that commencement made in her loading, would immediately begin loading his goods, and thus give very great dispatch to the trade.

659. The Committee presume that goods of a higher quality and greater value, and which are light in proportion to the space they occupy, could afford to pay a much higher rate than salt?—Yes, and always do; and to confirm that, perhaps I might mention the case of iron. Iron being a dead weight, is known to be taken out at a rate of 15 *s.* merely for the purpose of ballast.

660. How much per ton is paid for twist?—3 *l.* and 4 *l.* I believe.

661. How much would be paid for manufactured cottons?—If any, 3 *l.* or 4 *l.*, but I cannot speak to that; I have not myself shipped lately; but taking the goods to America as a criterion, you will ship salt from 10 *s.* to 12 *s.*, when the fine goods are about 40 *s.* per ton.

662. What is paid for the freight of salt to South America?—15 *s.* I shipped a cargo last year to Rio Janeiro at that rate.

663. What would be paid for salt to New York, or any of the southern parts of the United States?—New York is about 12 *s.* to 15 *s.*, and just now, from the light freight being more abundant, salt pays about 20 *s.* per ton.

664. Is salt an article that is liable to take much damage in a long voyage?—Not any, I conceive, unless the ship is stranded or becomes leaky.

665. Is it shipped in packages or in bulk?—In bulk.

666. Does it ever happen that salt which has been brought from Liverpool to London is ever exported from London to New South Wales?—It is considerably.

667. Do you happen to know what the charge on account of freight is?—I do not know what they charge from London, but the freight from Liverpool to New South Wales, on salt, was about 20 *s.* Salt shipped from London to New South Wales, cannot be put on board a ship here under 32 *s.* or 30 *s.*; it is put on board at Liverpool at 15 *s.*

668. Do you know any thing of the respective qualities and cost of production of the different descriptions of salt with which you would have to compete in the Calcutta market, if you were permitted to send salt there, taking the question at present as free from any consideration whatever of revenue charges or custom-house

25 February 1832.

Alex Reid, Esq.

house regulations; supposing, for the purpose of your answer, that the market was quite free?—I have already given the cost price at which we can land salt in India. The description of salt so quoted is pure refined salt, and although I have not been in India, I have had access to the public accounts sent home from the Indian government, and I find the following rates stated as the cost of salt manufactured in Bengal. The quality, however, is of a very inferior description, and, I believe, contains at least 30 per cent. of impurity. I find the contract price to the molungee from the government in India, averages nine annas per maund, equal to 1*s.* 1*d.* per maund, or 29*s.* per ton, to which have to be added the khalary rents establishment, freight to the sulkee at Calcutta; the latter charge is 25 rupees per 100 maunds, or about 12*s.* 8*d.* per ton. I find in a letter dated the 28th of June 1827, the Indian government received offers from a house to contract for the manufacture of the Balasore salt in India. I had better give the Committee the particulars of the cost at that district to the Government. The salt cost to the molungee, rupees 38. 3. 3.; the establishment, 18. 9. 11.; contingencies, 4. 14. 3.; charge of transport, 12. 1. 11.; khalary rent, 16. 15. 8.; chokee establishment, 4. 2., freight to Calcutta, 20. 14. 1.; making a total of 115. 13. 1., or equal to 59*s.* 8*d.* per ton. At that time, the offer made by Kidd and Haines was accepted by the Government, as it showed a considerable saving, and they contracted to manufacture salt at the above district for 100 rupees per 100 maunds, or equal to 51*s.* 2*d.* per ton. In this contract the Committee will observe that there is no khalary rent charged. The contractors were obliged to give it up, as they found they could not fulfil the contract. Then I find in 1823 the house of Palmer and Company undertook to manufacture salt for government at Saugur, and the price paid to them there was 14 annas per maund, equal to 44*s.* 8*d.* per ton. I find this in Mr. Stark's collection of Bengal Papers, page 569. To the above charge of course is to be added the expense of transporting from Saugur to Calcutta. I find the average of salt manufactured in the several agencies in 1826, was 95 rupees 10 annas, to which were added the agency and chokee establishment of 7. 5, making 102 rupees 15 annas, or equal to 52*s.* 2*d.* per ton. I find by these Bengal Papers, in the returns from the agent, that a molungee (it is not stated whether it is with his labourer or without), but it is understood that a molungee has his labourer, and that with this labourer he can manufacture, with extraordinary labour, in the course of the season, 50 maunds, or 4,200 lbs. The price of labour averages two rupees per month, so that those two men receive 28 rupees, or 53*s* 8*d.* Now in Cheshire, two men would manufacture in one week 25 tons, or 56,000 lbs., and the wages 24*s.* In any comparison I can make as to the manufacture in the two countries, I ought to mention a contingency to which the manufacturer in India seems exposed. I find that in 1825 an irruption of the sea swept away at Hattiak Sungathy, in Chittagong, 318,000 maunds of salt; these contingencies we are not subject to in this country.

669. Do you see in the documents to which you have referred, and in which you find the fact recorded which you have just communicated to us, any statement of the number of persons employed in salt manufacture having been swept away by the irruption of the sea?—A very large number of persons; 45,000 is the impression

III
REVENUE.

25 February 1832.

Alex. Reid, Esq.

impression on my mind, but I am not certain how many were salt makers. The result from the comparison would be, then, that the cost of the English salt would be under 60 *s.* per ton; then the Balasore salt would be about 59 *s.* 8 *d.* The price paid to Palmer and Company at Saugur was 44 *s.* 8 *d.*, exclusive of freight and charges to Calcutta; and the average cost of all the salt manufactured in the several agencies in 1826, was 52 *s.* 2 *d.*

670. By what name is the salt known to which your evidence has referred?—It is the boiled salt of Bengal, the manufactured salt.

671. Is there not also a supply of salt derived from the Coromandel coast which is manufactured in a different way, and of a different quality?—There is salt imported from the coast of Coromandel, which is evaporated by the heat of the sun.

672. At what price can that be sold at Calcutta?—That salt I find at present is charged by the Madras government 30 rupees per 100 maunds, to which a freight of 42 rupees is added; and the Bengal government pay at the sulkee at Calcutta 72 rupees, equal to 37 *s.* per ton.

673. Does that cover the cost of conveyance only, or is any part of that duty?—That is merely the prime cost of the article delivered alongside the warehouses, no duty being charged.

674. Be so good as to state to the Committee what the difference of quality is of the different descriptions of salt as to which your evidence has referred, including English as well as Indian?—The salt from the coast of Coromandel is not applicable to culinary purposes, unless refined; and I conceive the expense of refining the Coromandel coast salt in India would be much greater than the whole cost we could import at. I have not been able to obtain a sample to show the Committee, of Coromandel salt, but I have brought with me a sample of Bay or St. Ubes salt, which is exactly of the same description. That salt in this market at this moment is selling at 14 *s.* to 18 *s.* per ton, when Cheshire boiled salt is selling at 32 *s.* From the soundness of the grain of the solar evaporated salt, it is chiefly applicable to the purpose of packing provisions or curing fish.

675. The Committee observe one sample of salt which is whiter than the writing paper on which it is placed. Is it a salt of that quality which you would propose to sell at Calcutta, if it could be exported?—It is; but in comparing the two qualities of boiled salt, the Bengal manufactured and the British salt, it must not be forgotten that all the British salt is pure, and the Bengal is one half dirt and impurity.

676. Under the state of circumstances which you have described, what is the reason that a salt trade has not been established between the port of Liverpool and Calcutta?—The very high duty levied upon importation, to be paid immediately upon the ship's arrival, and the fiscal regulations of the monopoly.

677. Is the duty higher upon salt imported from Great Britain than upon salt imported into the port of Calcutta from the coast of Coromandel?—The salt is bought by the Company from Coromandel, at a certain rate from the Madras government, and resold by them at an advanced price, consequently the difference between the rate at which it is imported and the sale price, is the duty they receive. The salt imported from Britain is liable to a duty of three rupees per maund.

678. Have

25 February 1832.

Alex. Reid, Esq.

678. Have attempts been made to export salt from England to India?—Yes, several.

679. When did they take place, and what was the result of them?—There was one took place in 1818, by the Ganges to Calcutta; but the difficulties that I have stated, the impossibility of finding an agent to advance so large a duty upon an article of such small value in the face of the laws of the monopoly, by which any merchant attempting to import and sell salt may entirely be ruined by the sub-monopoly which the purchasers of the Company's sales may establish, such purchasers merely paying a small deposit at the time of purchase, and the balance only when the salt is delivered, prevent any trade being carried on under the existing regulations.

680. Can you say whether the regulations are such, that if you imported salt into Calcutta, you would be permitted to sell to any person other than the Government?—The laws of the monopoly are such that you can only sell to certain individuals, and they disperse the salt over the country as they see fit.

681. Must the duty be paid immediately that the salt is put on shore?—Immediately.

682. Whether it can be sold or not?—Yes.

683. Would not that regulation alone render it impossible to import salt when the duty is as high as three rupees per maund?—It would effectually prevent it.

684. Suppose that that regulation was altered, and that a British merchant was permitted to import salt into Calcutta, and to place it in the government golah, to be liable only to the payment of the duty at the time it was taken out for consumption, and that he should be also at liberty to sell it to any private merchant; could he, as long as the home trade in salt is in the hands of the Company, and as long as the Company sells under its present regulations, trade in competition to the Company?—No, certainly not with safety to himself.

685. Be so good as to explain to the Committee what reasons you have for entertaining that opinion?—Because the purchasers at the Company's sales must look with vast jealousy on any one coming into the market against them; and they can so manage the supply to the interior, and the fluctuation of price consequent thereon, as to force an importer of British salt to sell at a loss if they please. We sometimes see, that by their management in throwing too limited a supply into a particular district, they can raise the salt to any fictitious value they please.

686. Have any facts come to your knowledge upon that subject?—The facts of the very fluctuating prices that are obtained in the different districts, not warranted by the price paid at the time of purchase.

687. What documents have you had access to that have made you acquainted with the prices of salt at the different sales?—The Bengal Papers, alluded to before.

688. Official papers?—Official papers.

689. Do you know how often the government sales of salt take place?—Once a month.

690. Do you know anything of the circumstances under which salt is conveyed into the interior of the country, either by water or by land, and what is the cost of conveyance?—I cannot estimate that; there is nothing that would show that; that must depend entirely upon the purchasers at the Company's sales.

691. Do

691. Do you know anything of the price of the salt which is brought in from the westward, and upon what point of the river the western salt competes with the salt from Calcutta?—It comes near to Patna, I believe.

692. Have you formed any estimate in your own mind how far Liverpool salt could, if there were no commercial obstructions constantly put in the way, reach into the interior?—As I stated before, it appears to me that you cannot form an estimate now of the distance into which the frontier salt will come under different regulations, because the supply by those purchasers of the Company's sales is managed under a system of sub-monopoly; but I think if British salt was allowed to be imported and returned freely, every person who had to come to Calcutta with produce or otherwise, being allowed to take a return cargo of salt, the British salt would go much further into the interior than the Company's salt ever has done.

693. Is the manufacture of salt of such a description as to make it comparatively easy to levy an excise duty upon it?—I conceive in the manufacture of salt, even situated as it now is under the Company's regulations, they could turn round to the levy of a duty much more easily than they can regulate the manufacture and the sale.

694. Is it your belief that in the sale of salt no merchant can enter into competition with a government that undertakes to trade for itself?—No merchant can.

695. In order to enable the British merchant to trade in salt, are you of opinion that it would be necessary that the duty now levied upon salt by a commercial transaction should be changed for a duty levied upon the principle of an excise duty?—I do. I think that if the Company were to regulate a certain rate of duty upon salt, whether manufactured in India or imported, it would improve the revenue, and that it would be very easily accomplished.

696. Would the regulations under which the salt duty was collected in England be applicable to the state of circumstances under which the salt is manufactured in Bengal?—I think it would apply partially.

697. Was not salt manufactured in Scotland much in the same way as it is on the sea coast at Coromandel, and much also in the same way as it is in the Sunderbunds?—Salt was manufactured in Scotland by evaporating the water from the sea, during the time that unequal duties were levied in England and Scotland; but so soon as the duty was removed from salt manufactured in England, the manufacture in Scotland almost entirely ceased, and Scotland is now supplied with salt from England This was also the case in Ireland, which country has become an importer of salt from England, in place of being a manufacturer.

698. Were not all premises in Scotland and England upon which salt was made regularly entered and licensed by the Excise?—They were.

699. Were they not put under strict survey?—There were two locks of the premises, one kept by the revenue officer and the other by the proprietor, and the one could not have access without the other.

700. Where the salt-pans cover an extensive surface of ground, is there a facility of watching the manufacture to any extent?—It is quite easily done.

701. Would it be necessary to charge the duty as it is collected from the pans, or would it be possible to permit the salt to be removed from the salt-pans to the golahs without any charge of duty being then made?—They could not collect it from

25 February 1832.

Alex. Reid, Esq.

from the salt-pans; it would not be fair. The way it was done in England under the duty system was, that the salt was taken from the pans into the warehouses, under locks of the excise officer and manufacturer, and the duty was charged upon the quantity when taken away from the warehouse.

702. Are the Committee to understand that the duty was not charged upon the quantity delivered at the warehouse, but that it was not levied till the quantity was delivered for consumption?—No; the salt manufacturer was obliged to come into a very heavy bond to Government for any duties that he might be subject to, but it was only charged when the salt was taken from the warehouse.

703. Have you been able to have access to documents in which the mode pursued by the molungees in the Sunderbunds is fully and accurately detailed?—Yes.

704. From the information you have derived from those documents, do you entertain any doubt that a duty might be charged upon the same principles as it was charged upon the salt in England, with perfect security to the revenue?—I do not; the chokee establishment already in operation could manage the duty system as well as the present.

705. If a revenue was so charged, and private individuals were allowed to trade in salt, buying and selling as they pleased and when they pleased, and if salt imported into Calcutta over sea was charged with a fixed and certain duty, and placed on its import in warehouses similar to those in which the home-made salt should be placed, and if the duty should only be paid when the salt was taken out for consumption; under those circumstances would the British merchant have any difficulty whatever in entering into free competition with the natives, and supplying the salt according to its price and value?—Not any difficulty.

706. Under such circumstances, from the information you have obtained, do you believe that salt could be supplied to the consumer at Bengal at a lower price than it is now supplied?—My impression is, that salt could be supplied to the consumer at a much lower price than it now is, and also of a very superior quality.

707. What effect would such a change have, according to the best opinion that you have been able to form, upon the amount of duty collected, assuming always that the excise duty charged, and the import duty charged, should not be less than 250 per cent. upon the value of the article?—I find the quantity of salt sold in 1826-27, under the monopoly, was 50 lacs, 19,000 maunds, or equal to 192,308 tons; I find that the gross sales in that year amounted to 2,173,345 *l.*, and that the charges to be deducted from that were 684,945 *l.*, making 1,488,400 *l.*; from which deduct 16 per cent., or 223,260 *l.*, and it leaves the net revenue, 1,265,140 *l.* Then suppose that a duty were levied on the quantity above sold equal to that which they charge British salt with now, it would make a revenue to the Government of 1,500,000 *l.* less merely the cost of collection. I find by the estimate of revenue and charges of India, as they may probably stand at the expiration of the Company's term, (see Report of 1831, Appendix, page 558 *,) salt is taken at the gross sales, 1,820,832 *l.*, charges, 730,360 *l.*, leaving a net revenue of 1,090,472 *l.*; that is, at the exchange of 1 *s.* 11 *d.* By the same Report of 1831, page 762 †, I find the population to be supplied out of the monopoly estimated at 57,500,000; from which I deduct for Cuttack, as not likely to use the salt, 2,000,000; leaving 55,500,000 people. The consumption of salt by that population would amount to six

* First Appendix to to Third Report, page 10

† Ditto, p. 328.

25 February 1832.

Alex. Reid, Esq.

six lacs, 250,000 maunds, at two rupees, (which would be an abatement of 33 ⅓ per cent. in the duty,) would make 1,250,000 *l.*; so that reducing the duty from three rupees to two rupees, would enable the Government to preserve the same revenue, would give to the inhabitants of India a pure article in place of an adulterated one, and at a very reduced rate.

708. Under the present circumstances of the trade, both out and home, between this country and Bengal, would it be worth while to send salt, excepting as dead weight in order to make up a cargo; in what way would the homeward-bound trade be affected by it?—Just now there is a much larger quantity of goods imported from India than there is exported to it, consequently we first require to fill up that deficiency. You see a ship go for 5 *l.* or 6 *l.* on the whole voyage; it, therefore, there is positive certainty of 2 *l.* to be got out (even after that spare tonnage which is now going out is filled up), there is an inducement for further imports from India; and it is impossible to tell what effect that may have. In short, it appears that if salt can be sold in India to pay a freight of 2 *l.* on the voyage out, we need not be deterred by an apprehension of want of shipping to convey it.

709. Are the goods that are brought home much more bulky in proportion to their value than those which are sent out?—Much more bulky.

710. If that is the case, is the cost of the freight higher upon the return voyage than upon the voyage outward?—It is higher.

711. Can you state the difference?—The freight home may average 6 *l.*

712. What may it average in the voyage out?—It depends upon the charter; just now a ship may charter to go out with a cargo at 200 *l.* or 300 *l.* premium, if insured of a homeward freight.

713. Is not this state of circumstances peculiarly favourable to the export of salt from this country?—Highly favourable.

714. Is there anything you would wish to add to what you have already stated?—In the statements I have made, I think I have taken the calculations as much against the British manufacturer as I can, because in the article of freight, for instance, I have estimated 40 *s.*, when at the moment I am offered it at 20 *s.*

LANGFORD KENNEDY, Esq. called in and examined.

Langford Kennedy, Esq.

715. How long were you in the British dominions in the East Indies?—I was 22 years.

716. When did you return?—In 1829.

717. Were you in the employment of the Company?—I was in their civil service.

718. What situation did you hold in the civil service?—I first held the situation of assistant to the opium agent at Patna; I was appointed assistant in 1811. In 1815 I was appointed deputy to the opium agent in charge of the districts of Sarun and Tirhoot, in the province of Behar. In 1821 I was appointed collector of land revenue conjointly with that of deputy opium agent in Sarun, in which situation I continued until I left India in 1829.

719. What quantity of ground was under the cultivation of opium in the district with which you were connected?—It varied very much: when I first went there it

25 February 1832.

Langford Kennedy, Esq.

was comparatively small, but subsequently, when my deputy agency was attached to the office of collector of land revenue, I increased it very considerably.

720. Can you state the number of begahs?—In the early part of the first time I went to Sarun there were between 15,000 and 20,000 begahs; when I left it, it was probably double, or very nearly double, that quantity; the produce was considerably more than doubled.

721. Do the persons who undertake to cultivate opium contract with the Government to supply a certain quantity?—We enter into engagements with the cultivators every year through intermediate agency. In the district under my charge there were several establishments in the mofussil called kooties; to each kootie there was a gomastah, whose jurisdiction extended over a particular tract of country. Under him again there was another denomination of people, called sudder mättoos, generally poppy cultivators; they received from the gomastah the necessary advances. These men again made the advances to another class, called village mattoos, who were generally the principal cultivators in the village. These village mattoos make advances again to the cultivators.

722. Between yourself (the collector) and the actual cultivators, through how many hands did the advances pass?—First to the gomastah, from him to the sudder mattoo, from the sudder mattoo to the village mattoo, and from the village mattoo to the ryot.

723. In what way are all those people paid?—The gomastah receives a fixed salary; latterly he received a small per-centage according to the quantity of opium that he delivered. The sudder mattoos again receive a small salary and a per-centage upon the quantity of opium delivered by them; and the village mattoos get rewards from the collector according to their conduct and the quantity of opium they deliver.

724. According to the division of the work between them, what is the division of per-centage assigned to each one?—It is just now very difficult for me to say; the gomastah's income was from about 40 to 50 rupees a month.

725. Had he any other profits?—Besides his salary, he had latterly a per-centage allowed him upon the quantity of opium he delivered, I think about eight annas a maund, as far as I recollect, on the quantity which he delivered, which of course varied with the extent of country annexed to his kootie.

726. Do you think they were in the habit of obtaining any further income from any other sources?—I think they generally were.

727. Of what description?—In all dealings between natives there is invariably a species of extortion, a sort of dustoory, which is given in all money transactions.

728. What is a dustoory?—It is difficult to compare it with an English term; it is a custom or perquisite.

729. Is it a fee?—It can scarcely be called so; but it is, I believe, prevalent in all money transactions between natives; but that the gomastahs, like all other native functionaries, were often guilty of extortion throughout India, there can, I apprehend, be no question.

730. Is the amount of this fee voluntary, or is it an exaction?—I do not mean that it is given exactly in the shape of a fee, but as an exaction more than anything else, which time and usage appear to have sanctioned.

731. Is

731. Is it given to the gomastahs, or exacted?—I think pretty generally exacted.

732. Do you consider it an abuse, or is it productive of mischief?—I should say, generally, that it is; but it is a very difficult thing to prevent.

733. Do you suppose that the exacting this kind of brokerage is so prevalent a custom, that if the persons were paid a higher salary, or allowed a higher per-centage, they would still continue to do it?—I certainly think that giving them a larger salary would tend to make them more honest; but I doubt very much, and always have, of its ever preventing dishonest practices altogether.

734. Do you think these people are overpaid?—Certainly not.

735. Is the condition of life in which they live better than that of the cultivators, taking the question as applying to all the persons that are between the collector and actual cultivator?—The gomastahs are generally a superior class of men, very different both in education as well as caste from those that cultivate the soil. Those that cultivate the poppy are a poor class; the sudder mattoos are generally a respectable class of landholders, sometimes men of considerable property. The village mattoos are of an inferior class to them, and but little superior to the cultivators, indeed, they all cultivate the poppy themselves.

736. Is there an absolute necessity for employing all this succession of intermediate agents?—Where we have an immense number of cultivators scattered over a large extent of country, such as was the case in my district, it is quite indispensable.

737. Out of what fund does the charge for the pay and maintenance of these people arise?—Government pay it altogether.

738. Does it altogether form a deduction of the profits that they derive from the sale of the article?—Yes; the difficulty and hardship that would arise from bringing all the cultivators to the collector's cutchery, they are so numerous, and often so distantly situated, is the reason we are obliged to have these establishments in convenient parts of the district; to make the advances; to see that the lands are properly cultivated; to receive the drug, and to prevent embezzlement.

739. From what fund are the advances, in the first instance, made?—Government make the advances through the collectors, who prepare their estimates at the commencement of each year, according to the quantity of land they expect to be in poppy cultivation. The estimate specifies at what particular periods the advances will require to be made; they are generally made every month in the year: when this estimate is approved of by the superior authority, an order is issued by the Accountant-general, authorizing the disbursements.

740. Be so good as to describe the collector's treasury?—The collector's treasury is a species of bank, into which all the revenues of the district, of whatever denomination, are collected, and from whence all authorized payments of money are made on the part of Government; in fact, it is an office of receipt and disbursement.

741. In what way are the accounts of that treasury so kept as to ascertain the balance to be remitted to the Government?—I send an estimate every month of the state of my treasury to the Accountant-general, of what I expect to receive and disburse in the course of the ensuing month. The Accountant-general, by reference to that estimate, can form a tolerably correct guess as to what sums he may be

25 February 1832.

Langford Kennedy, Esq.

be able to draw from it; and if there is a surplus, I receive his instructions as to its disposal. I generally sent the surplus to the collector of Patna, who receives the surplus of the collectors' treasuries in the province of Behar. Besides this, I keep regular monthly accounts of all receipts and disbursements, which I forward regularly to the Accountant-general.

742. What balance is the collector allowed to retain in his hands?—There was no fixed limit; it depended upon the Accountant-general's instructions; he always knew pretty nearly what balance I had in my treasury, and issued his instructions to me how to dispose of it.

743. What is the largest balance you have ever had in your hands?—Sometimes from two to three lacs of rupees; seldom more, often less. It required from three to four lacs to make the opium advances for the year.

744. Can you state what would be the average balance in your hands?—I cannot. I think there was an order, whenever the balance exceeded a lac or a lac and a half of rupees, to remit it to the collector of Patna, when I had not orders from the Accountant-general to the contrary.

745. Do the collectors give security?—No, they do not; but their native treasurers do to a very large amount.

746. Are they permitted to make use of the balances for their own advantage?—Certainly not.

747. Is there a regulation prohibiting it?—There is.

748. In what form is the money received by them, is it cash or bills?—The collectors are only permitted to receive in the province of Behar sicca rupees and Bank of Bengal notes; two thirds of the revenue in specie, and one third in notes.

749. What measures are taken for the security of such large deposits as the collectors have?—I was supplied with a guard of 50 sepoys.

750. In the distribution of the money advanced to the opium cultivators, is any security taken from those intermediate agents?—There is security taken from them.

751. Are defaults among them frequent?—Very rare; I scarcely ever knew an instance.

752. Have the intermediate agents deposits remaining in their hands?—Very often. They received the advances from me monthly, according to the extent of land under cultivation within their several jurisdictions; but they furnished me with their accounts periodically, their cash accounts weekly; so that I always knew precisely what was in their hands at any time.

753. Had you reason to believe that those accounts were accurately kept, and that they really represented the state of circumstances?—Certainly.

754. You had no reason to doubt their good conduct?—Certainly not, as far as accounts went.

755. With regard to the individuals by whom advances were ultimately made, were the Company in the habit of losing by them?—Certainly not.

756. What conclusion has your mind come to from that state of circumstances, with reference to the character of the people: Do you conclude that they are a fair dealing people?—Generally speaking, I should say they are; I have found them to be so. The way I managed the advances was this: After the engagements had been

been entered into for the year, I immediately made an advance of so many annas in the rupee. (Nothing can be done in that country without advances.) When I ascertained, by measurement, that the quantity of land for which the cultivators had engaged was actually brought into poppy cultivation, I then made them a further advance of so many annas; and afterwards, when they commenced to extract the opium from the plant, they received a further advance, and a further advance when they commenced delivering the opium to me. The aggregate of these advances might probably amount altogether to two-thirds of the rupee. The remainder of the rupee I kept in my hands till the season was over and the deliveries of the drug completed, when I settled their accounts according to the actual quantity of opium I had received. By this means I always saved myself from loss, whether occasioned by badness of season or the dishonesty of the ryots, and they were consequently never in arrears.

757. Are the persons who are employed in the cultivation of this opium in a better or a worse state than the cultivators generally?—I should say there is very little difference.

758. Does the cultivation take place in lands under the permanent settlement?—On no other lands in my particular district.

759. In what way does the Government settle with the zemindars for any beneficial interest they may have in the lands under poppy cultivation?—The Government have nothing to do with the zemindars.

760. How has the Government set aside their claim?—Government deal direct with the ryots through the agency which I have already mentioned. The ryots hold their lands under the zemindar; they pay him the fixed rent, and they contract with me to cultivate poppy.

761. Do they pay the same revenue whether they cultivate poppy or rice?—The zemindars are prohibited by law from increasing the rates of poppy lands beyond what they were at the time of the permanent settlement being made in 1793; but the difference of rent between rice and poppy lands is very great, the one being the richest, and the other the poorest description of land.

762. Cannot the zemindars collect from the ryots a larger amount than they did in 1793?—Not from the poppy ryots. There is an express clause in, I believe, Regulation VI. 1799, prohibiting it, which has been followed up by subsequent enactments.

763. What part of the province of Bengal is most favourable to the cultivation of opium?—The soil and climate of the province of Bengal is not favourable to the growth of poppy. The provinces of Behar and Benares are the most favourable. I think they are equally so, though there is a slight difference of price occasionally in the sale of the opium in the market generally in favour of the former; but I apprehend there is very little, if any, difference in the quality of the drug grown in those provinces.

764. Is the right of the ryots in the lands so accurately ascertained in the districts of the country with which you are practically acquainted as to prevent a confusion between the ryots; does one party claim upon land occupied by another?—Seldom or never, to my knowledge; they understand the boundaries of their lands very well, and seldom quarrel on this score.

765. You

25 February 1832.

Langlord Kennedy, Esq.

765. You say the quantity of land under poppy was ascertained by measurement; was it by actual measurement?—I measured it every season. I first of all entered into engagements with the ryots, and when their lands were sown, I measured them.

766. In point of fact, an actual measurement takes place every year?—Every year.

767. It is to be imagined under such regulations no one can cultivate poppy except by express provision?—Certainly not; except by entering into engagements with Government to deliver the produce at the fixed rate.

768. If any one did so would the property be destroyed?—Yes, I would attach it immediately, and either destroy the cultivation, or oblige the cultivator to give me the produce.

769. What description of persons are employed in the actual measurements?—To each of the kooties which I have already mentioned, there are a certain number of persons attached, denominated zillahdars, who receive a fixed salary from Government; these persons, in conjunction with the mattoos afore-mentioned, measure the lands; the gomastah and his assistants, as far as they possibly can, see that it is properly done

770. Is it a costly process?—No, it costs very little.

771. Is it well done?—It is pretty well done, as far as I could ascertain from having occasionally re-measured the lands myself.

772. Have you ever had reason to suspect fraud?—The measurement, whether well or ill done, is a matter of very little consequence to the cultivators, for they are not paid according to the quantity of land they cultivate, but according to the quantity of opium they deliver. My chief object in ascertaining the quantity of land in cultivation was, to form a probable estimate of the quantity of opium likely to be delivered in the season. The ryots are paid by the seer for their opium.

773. Do crops from poppies vary much in value from season to season, or from field to field?—They differ very much, and depend greatly upon the nature of the soil on which it is cultivated, and also upon the season; there is no crop more dependant upon both soil and season than the poppy.

774. Within what limits can you describe that variation; do they vary 50 per cent. or 40 per cent. with regard to produce?—There is sometimes a very marked difference; it varies very much; but I cannot reply to the question with any degree of precision. I have known land that would not yield more than one seer of opium per begah, and I have known it again yield 10 or 12; it varies according to the quality of the soil, and the degree of attention that is paid to it by the cultivator, as well as season; much depends also upon irrigation.

775. Is it upon the irrigated lands that the quantity of 10 or 12 seers is produced?—The largest quantity is always produced upon irrigated land.

776. What might be the average produce per begah?—Generally throughout the district under my charge, I should say the average would be from five to six seers per begah; five seers I should say, as well as I can recollect.

777. Is the cultivation of the poppy carried to its full extent, or might it be extended further than it is at present?—It is certainly not carried to its full extent I doubled the cultivation in my district in the course of six years, and it was progressing

25 February 1832.

Langford Kennedy, Esq.

gressing when I came away; the produce was considerably more than doubled in that time.

778. Will you be so good as to describe to the Committee what the regulations are which secure to the Company the obtaining the produce after the fields are planted with opium, for the cultivation of which they have made advances?—Opium was formerly supplied by contract, a system which was established, I believe, by Lord Cornwallis; it continued to be a contract till the year 1799. The contract system was then done away, and separate agencies were established for Behar and Benares; the Company in fact took the cultivation of poppy into their own hands. Regulation VI. 1799, I believe, was the first Regulation enacted on the change of system; it has been the great guiding Regulation for the opium department ever since, though many amendments and alterations have been since made in different Regulations, of which the Regulations enacted in 1816 and 1824 are the principal.

779. At the time when the Government took it by contract, was it open to anybody to cultivate opium, provided that he sold his produce to the Government?—The contractors, I have always understood, had a monopoly of the article, and supplied it to Government at a fixed rate; he stood, in that respect, on the same footing as the agents do now.

780. Is the agent limited as to the quantity he can supply; or is he to supply as much as he can?—As much now as he can. There was formerly a prescribed limit, in consequence of its being understood that the demand for the article in the Eastern markets was limited, and Government wishing to derive a large revenue from a small supply: the object of the Government, when I came away, was to procure as large a supply as could be obtained.

781. Be so good as to describe the process by which the Government secure the delivery of the opium produced?—The system is this: At the time that the poppy is ripe, that is, when it is in flower, and immediately previous to the period for extracting the juice, the gomastah and his establishment make a circuit of the country, and form, by guess, a probable estimate of the produce of each field. He then makes the ryot enter into an agreement with him to deliver the quantity thus estimated, and as much more as his field will yield, at the price previously fixed; if he fails to deliver the estimated quantity, and the collector has reason to suppose that he has embezzled the deficiency, he is empowered by law to prosecute the ryot in the civil court for damages.

782. What regulations are there to secure the delivery of this surplus?—It is a very difficult matter to secure the whole of the produce, and I believe we never do; we seldom get more than the quantity agreed for; every cultivator almost, I apprehend, keeps a little for his own use or profit; but I should say, Government do not lose any large quantity in this way.

783. What are the means to which you have recourse in order to secure it as well as you do, and to prevent him keeping back the surplus?—If we can ascertain that the ryot withholds any part, we can, as I have already said, prosecute him, or search his premises.

784. Are there not measures of check between the examination you have described and the ultimate delivery?—We have none; it requires and depends mainly

25 February 1832.

Langford Kennedy, Esq.

mainly on the vigilance and activity of the gomastah and his officers to secure the delivery of the whole of the produce.

785. What establishment is there to prevent the smuggling of the produce?—We have no establishment just now in the opium department; but the vigilance of the custom-house officers is directed to this as to all other illegal traffic.

786. Is there any demand for opium in that part of the country?—Not in that part of the country of which I am now speaking.

787. Hindoos do not consume it themselves, do they?—Very little is, I believe, consumed by the Hindoos; the Mahomedans chiefly use it, though in Behar not to any extent. I had a quantity for public sale, but there was no demand for it; nor is it likely that there ever should be in a country where it is produced, and where the consumers can get it cheaper from the ryots than they can from Government.

788. Do the Mahomedans smoke it?—No, they eat it, though, as I have said, not to any great extent in that part of the country of which I am speaking; but in the district of Rungpore, in Bengal, the consumption is very general; there is hardly a man or woman in that district that does not consume it when they can get it.

789. In what state is the opium delivered to the persons who are appointed to receive it?—There were great disputes on that point in the years 1824 and 1825, between the agent, myself, and the other collectors of the province, who were his deputies; he complained that we delivered the opium to him in too thin and liquid a state. In consequence of these differences, an inspector of opium was appointed by government at Patna (Mr. Fleming), who was one of the judges of circuit, a gentleman in every respect well qualified for the office. He became a kind of arbitrator, or umpire, between the collectors and the agent, and fixed a standard by which the one was to deliver and the other to receive the opium. The process which he suggested is fully detailed, I believe, in a paper lately drawn up at the Board of Control on the subject of opium; but the general principle on which we were directed to act was this, that if the gomastahs could take the opium out of the vessel in which it was brought for delivery by the ryot, and turn it over without its dropping off his hand, then that it was in a sufficiently dry state to be received; if it was not in that state, the ryots were either themselves obliged to thicken it to the proper degree of consistence, which is done by evaporation, or the officers of government might do it; or if either of these were inconvenient, we took an additional quantity to make up for the wastage that would have to be incurred in bringing it to a degree of consistence fit for making it into cakes, and by this means save Government from loss.

790. Do you think that much adulteration took place in the opium?—Very little, I think, up to the time of its leaving the collector's hands.

791. Do you think it was made in as pure a state as it could be made?—In the latter years of my experience, I think it was received in a pure state. It underwent a very severe scrutiny, and the quantity ever supposed to have been adulterated was very small indeed; if it had been adulterated, it would have been sure to have been detected either by the collector or by the agent at Patna.

792. What is the usual contract price for a maund?—We deal entirely in the seer, the ryots deliver it in such small quantities. We now pay three rupees eight annas a seer. The price has been increased of late years.

793. Are

793. Are you able to inform the Committee what the common selling price in China is of a seer?—No, I am not. They sell it in chests in the China market.

794. Can you inform the Committee what is the profit per seer?—No, I cannot.

795. From the experience that you have had in this matter, can you form any opinion as to what would probably happen if the government of India were to see fit to discontinue the trade in India altogether, and were to look to opium only as a source of revenue, collecting that revenue upon the principle of an excise duty, in the same way that the British Government collects excise duty either upon hops or upon any other domestic article. Can you imagine that any set of regulations could be established, which would insure to the Government as large an amount of money as tax, as they now obtain in commercial profit?—I think the great difficulty would be, in a case of that kind, to prevent smuggling; because the larger the tax upon any article, the greater the temptation to smuggling. A tax upon opium, in the shape of an excise duty, to be at all commensurate with, or to be as productive as, the revenue the Government at present derive, must necessarily be a very heavy one, and would afford, of course, great temptation to smuggling, and carrying opium clandestinely out of the country, which I conceive it would be impossible to prevent, the facilities are so great for the accomplishment of such a purpose.

796. If the facilities are so great for getting it out, in what way is it now possible to prevent it?—The cultivation of the article is prohibited, excepting by those who are under engagements to Government, and is now confined to the Upper Provinces. If it were to be cultivated in Bengal, it would be an easy thing to carry it off clandestinely through the various outlets of the Sunderbunds.

797. The question supposed the existence of such regulations as are imposed upon all persons manufacturing in this country under the excise; and in every such case it is necessary to obtain a license to produce the article, be it what it may, and to enter the permits in the first instance?—That would require in India a very large native establishment to be maintained, for whose honesty in the discharge of their duty, exposed to the great temptations above noticed, there could be no security; and besides, it would be deemed a species of inquisition which I think the people, more particularly Europeans who might embark in the speculation, would not readily submit to.

798. Would the inconvenience be as great as it is at present, when the cultivators are forced to give their whole produce?—They are not forced now to cultivate the poppy; though they are to give the produce if they enter into engagements to do so.

799. How can you say they are free, when you have stated to the Committee already, that if any person cultivated opium, who did not engage with the Government to pay a certain price, the crops would be destroyed. In order to levy an excise duty, could more be done than establishing a similar regulation that all the crops should be destroyed which were not cultivated under license, and put under survey, with a view to the charge of a duty?—The thing might possibly be done; but it is a question which requires greater consideration to answer than I have bestowed on it.

800. Would the oppression be greater in the one case than in the other?—I think the ryots would not approve of the change, as far as oppression went. They would

25 February 1832.

Langford Kennedy, Esq.

would make more money perhaps by speculators under a change of system than they make at present by Government.

801. In that case would they complain?—Not on the latter score. I am only speaking as far as oppression goes; they would not be likely to be treated so well, I apprehend, by speculators as they are now by Government.

802. The question applies chiefly to the security of revenue by any such regulations?—I think it would be exceedingly doubtful. The revenue at present derived from opium is very large, and tolerably certain; and I should very much question whether Government, by any duties they could impose, or any change of system, would levy a larger one or even so large. I think it would be a dangerous attempt to abolish the present system.

803. Would it not be in the power of Government to exercise the same right with a view to collect the revenue as they now do to secure the trade?—Certainly, but I think it would be very difficult to prevent smuggling.

804. The question applies particularly to the rights of the zemindars. Would it be more difficult to enforce regulations, the object of which should be to collect a duty, than to secure a monopoly to the Government out of the lands upon which, under other circumstances, the zemindars would have a right?—The zemindars have always understood since the permanent settlement that the lands which the Government cultivate with poppy, or which might be cultivated for them with poppy, were to continue at the rates established in the year 1793, and they have continued up to the present time pretty nearly those rates. I have seldom had a complaint from a ryot against a zemindar for exacting an increased rate: that they would raise them if they could I have no doubt.

805. Have not Government, by the Regulation you have alluded to of 1799, established such a right in the lands to be cultivated with poppy as proves that they have the power to establish such Regulations as they please, either for the regulation of the duty, or for the exclusive enjoyment of the monopoly?—I conceive they have the right. They might certainly continue that Regulation if they pleased, or abolish it altogether.

806. Under such circumstances, would there be any difficulty in converting the revenue into a duty, if they thought fit?—Certainly not; I think they might levy a revenue in the same way as they now do, but I should very much doubt whether it would be as productive. I look upon the present to be a certain revenue to the Company. I doubt very much the working of an opposite system; but before giving a decided opinion, I must know what system is to be substituted for the present one.

807. Are you at all acquainted with the cultivation of opium in districts of the East which are not under the control of the East-India Company?—Not at all.

808. Do you know at all from any circumstances that have come to your knowledge, the extent to which that is carried on?—No, I do not.

809. Do you think it is likely to interfere with the Company's trade of opium?—I think it is with that of our own provinces materially; and of this I apprehend we have had sufficient experience already.

810. Do

25 February 1832.

Langford Kennedy, Esq.

810. Do you know the effect which that has had upon the prices in China?—It has had the effect which competition always has, viz. diminishing the prices of Bengal opium very much.

811. Do you know the extent to which that has been carried?—No, I do not.

812. Is the command of the coast so completely in the hands of the Company in Bengal, that no smuggling could take place from those coasts to China?—I think it would be an exceedingly difficult thing to prevent smuggling from the Sunderbunds, the temptation would be so great for the people to smuggle opium under such a change of system as is here contemplated.

Jovis, 1° die Martii, 1832.

The Hon. JOHN STUART WORTLEY in the Chair.

HENRY ST. GEORGE TUCKER, Esq., called in and further examined.

1 March 1832.

H. St. Geo. Tucker, Esq.

813. Is there anything in your former evidence which you wish either to explain, or as to which you wish to make any addition?—I should be glad to have an opportunity of explaining some points of my evidence, which, although not of any material moment as bearing upon the questions at issue, I should be glad to explain, with a view to more perfect accuracy. I have stated the commission of the salt agents during my residence in India to have varied between 40,000 rupees and 80,000 rupees per annum. By a resolution passed by the Government of Bengal in February 1829, these allowances have been very much reduced; and they at present vary from 30,000 rupees per annum to 50,000 rupees. I stated that coast salt was imported and warehoused, and that the importer was allowed the excess on the sale proceeds beyond 300 rupees per 100 maunds; he is at present under Regulation XV. of 1817, (the Regulation in fact to which I referred,) allowed to import freely, paying a duty of three rupees per maund, with liberty to warehouse, or not, at his discretion. I observed also that English salt was not specified in our Regulations. This is perfectly correct with relation to our Bengal Regulations; but I find in a late MS. Regulation of the Bombay Government, that English salt is expressly allowed to be imported at a very moderate rate of duty at that presidency. Again, I find that the lots of salt have not been reduced, as I supposed they had been, from 1,000 maunds to 500 maunds; the lots are still 1,000 maunds. The rowannas, or passes, are issued for a period of one year; but the purchaser is compelled to clear, or rather to pay for his lots within the period of two months; the smaller rowannas, which are termed atrafee, being for quantities less than 100 maunds, are current only for the term of six months. I was asked whether the molungee or manufacturer was perfectly free, and I replied that he was so; and I beg now to refer to sections 7 *et seq.* of Regulation X. of 1819, which contains special provisions for the liberty and security of the manufacturer.

I stated

I stated that the price of coast salt had hitherto been below that of our Bengal manufacture; but I find, from our latest accounts, that the two have approached to an equality, and in some instances the coast salt has even averaged rather a higher price than some part of our Bengal manufacture. In consequence of this rise of price, the importations, I have reason to believe, are increasing considerably, for the importer now realizes all beyond the duty of three rupees per maund, or 300 rupees per 100 maunds; and by the latest sale of which we have an account (that of May last), the price of this salt nearly reached 450 rupees per 100 maunds, a limit which has hitherto been seldom exceeded. The importer will consequently have received near 150 rupees per 100 maunds, which may be considered to yield a fair freight, and some inconsiderable profit. In explanation of the Government Regulation XV. of 1817, (and not of 1819 as quoted by me from memory,) which authorizes and directs that any salt not yielding 300 rupees per 100 maunds should be destroyed, I would beg to state, in justice to the Government, that the object probably was to prevent the introduction of adulterated salt of low quality. But this enactment has now become in fact a dead letter, in consequence of the price of salt having materially exceeded the sum of 300 rupees per 100 maunds. Some of the questions of the Committee, when I last had the honour of being before them, were very comprehensive; and as my answers may not have been so full and satisfactory as on all occasions I would wish them to be, I am desirous of offering some further explanations. One branch of my examination was evidently intended to ascertain how far salt from Liverpool could be introduced into Bengal without affecting the interests of the monopoly. My opinions with respect to the expediency and practicability of introducing into consumption salt purified in the manner in which I understand it is refined in Liverpool, have been recorded on the proceedings of the Court of Directors, in a dissent or minute, bearing date the 19th of October 1829; but I will state briefly the objections which occur to me against the project of supplying the Bengal consumption by means of importations from this country. First, owing to the distance, the supply must necessarily be uncertain, being liable to interruption both from the elements and other circumstances, and more particularly during seasons of war; and I should think it by no means advisable that the population of India should be allowed to depend, for an article of primary necessity, upon any distant and uncertain source of supply. Second, in obtaining this supply from Great Britain, we should displace some Indian capital and Indian labour. The molungees might, no doubt, in the course of time, apply to agriculture; but the population of India increases very rapidly, and we have found, from the circumstance of the decay of our manufactures, that a difficulty is experienced in finding employment for our people. Thirdly, we should, to a certain extent, displace the donies or native coasting vessels, which are very usefully employed at present in carrying grain from Bengal to the coast of Coromandel, to supply occasional deficiencies of produce in our Madras territory, and which bring return cargoes of salt yielding a freight. Fourthly, if our Bengal manufacture were completely superseded by the substitution of foreign salt, from whatever quarter it might come, we should find it extremely difficult to guard against the illicit manufacture of Bengal salt, unless we kept up the whole of our present machinery at a very great expense. This objection applies, in a certain degree, to the substitution of coast salt for our Bengal manufacture,

1 March 1832.

H. St. Geo. Tucker Esq.

manufacture; for there cannot be a doubt, that if the government agency were withdrawn, the illicit manufacture and sale could not be entirely prevented. The manufacture was formerly very much in the hands of the zemindars; a large portion of the salt consumed was smuggled, there is reason to believe, without paying the government tax; and the produce of the revenue was accordingly inconsiderable. I have not myself gone so far as to speculate upon the *entire substitution* of salt from the coast of Coromandel for our own manufacture; my idea has been that we should *circumscribe* that manufacture, and *discontinue* it in all *unfavourable situations*, with a view more particularly to the health and comfort of those who are employed in the production of the article; and I may add, with a view also to our obtaining perhaps a better article at a cheaper rate. It will be recollected, moreover, that the salt imported from the coast of Coromandel yields a *double* revenue, inasmuch as a duty is realised in the districts under the presidency of Fort St. George, before our tax of three rupees per maund is levied. Fifthly, I would state that the present duty on the importation of Liverpool salt at three rupees per maund would not yield us the revenue which we at present derive from coast salt, which pays a double duty, or from our Bengal salt at the existing prices. Lastly, I would submit, that I entertain great doubts whether the population of India would receive and use salt manufactured in this country; for I have already explained to the Committee that they have an idea that ingredients, to them impure, are used in the purification of the salt. A small quantity of coast salt is, I understand, refined in Calcutta for the use of the European inhabitants, and I have been informed that the natives will not consume this salt. It would be obvious, therefore, to the Committee, that we could not attempt to impose upon them an article which would probably be abhorrent to their religious feelings, and that we could not, under any circumstances, leave them dependent for their supplies upon an article to which they may have serious objections, by discontinuing our present manufacture. I may also observe with respect to Liverpool salt, that it was mentioned, when I had the honour of attending the Committee on the last occasion, that salt from Liverpool could be imported into Calcutta at the rate of 7½ *d.* or 8 *d.* per bushel. I was not favoured with the calculations from which this result was deduced; but I have made a rough estimate myself from the best materials within my reach, and I cannot satisfy myself that salt *can* be imported from Liverpool at any such rate. This fact, of course, would not stand in the way of granting permission to import if otherwise unobjectionable, because the dealer may safely be left to trade or not at his own discretion. Indeed, I have already observed that, as a *general* proposition, our object should be to procure the cheapest and best salt, from whatever *British* quarter it may come; but we must not overlook objections to the particular application of this proposition. Our Bengal salt I estimate to cost us, on a medium, about 1 *s.* 4 *d.* the bushel; but this includes charges which we probably should be compelled to defray under any circumstances; I allude to our arrangements with the French and Danes, by which we undertake to pay them about four lacs of rupees per annum in consideration of their not engaging in the trade in a way which might interfere with our monopoly.

814. With regard to the fact that you have stated, what inference do you deduce from the circumstance of our having stipulated to pay this tribute to the French and Danes?

1 March 1832.

H. St. Geo. Tucker, Esq.

Danes?—It is an arrangement made with those governments (as I stated before), who would otherwise be at liberty to import salt from the coast of Coromandel into Chandernagore and Serampore, which by a sort of fiction we consider sea-ports, *free and open to the sea*, although they are at some distance above Calcutta. We were obliged to consider the foreign settlements upon the river Ganges (or Hoogly) as ports open to the sea, and not being able to levy our customs on ships passing the port of Calcutta to those places, we resorted to the expedient of imposing an *import* duty upon all articles brought from those settlements into our own territory; and an *export* duty on all articles carried from our territory into those settlements. We consider them as ports into which they might import salt, and we pay them for waiving the privilege. The natural cost of production of the Madras salt I estimate at about one third of that of our Bengal manufacture, exclusive of the duty levied by the government of Fort St. George.

815. You stated that you conceive the natives would object to use salt imported from England on account of some process which they suppose it undergoes in the refining; to what process do they allude?—I understand that blood or eggs are used in the process of refining, and both those articles would contaminate any article of food to a Hindoo. The egg is the germ of life, and animal substance; blood may be that of an animal which they venerate, or of one which would defile.

816. Is it the mere handling of salt by Europeans that contaminates it?—No. I have stated elsewhere, that I believe the general maxim of the Hindoo to be, "that everything comes pure from the shop," if the article be *pure in its own nature*, that is, that the handling of the manufacturer, or shopman, or person dealing in the article will not contaminate, if the article in its own nature be pure.

817. You stated that the duty upon salt imported into Calcutta was the same, whether from the coast or from Europe?—In the Bengal Regulations, Europe or this country (Great Britain) is not specified; but my construction of the Regulations would be, that any salt may at present be imported from beyond the limits of our manufacturing districts, under Regulations XV. of 1817, and X. of 1819, on payment of a duty of three rupees per maund.

818. Is it not practically the case that that duty is held to apply to foreign salt, and not to the coast salt?—"Foreign salt" is the term used in sec. 2, Regulation XV. of 1817. I am not prepared to state that no instance has occurred in which a question may have arisen on the right to import from Europe, I can only speak to the regulation as I find it; and it does not appear to me to prohibit the importation of any salt by sea produced out of our Bengal provinces.

819. Does not the importation of coast salt take place to a considerable extent every year?—To a considerable extent.

820. Is that the duty actually paid upon the coast salt?—Yes; the duty paid upon the coast salt, under Regulations XV. of 1817, and X. of 1819, is three rupees per maund.

821. You noticed the Regulation in 1819, to prove that the molungees were essentially free. Are you aware at all of what the condition of the molungees was before 1819?—The condition of the molungees was previously free; but if I recollect right, the Regulation alluded to contains some more particular provisions to ensure that perfect liberty and protection.

822. Was

822. Was it at all the case that the molungees were theoretically freer before the Regulation of 1819 than they have been since?—Before the Regulation of 1819 they were both theoretically and practically free, at least for a considerable number of years anterior; but if I am desired to go back to a period of 40 or 50 years, my impression is that they were not practically free. I should say generally, that from the year 1793, when we introduced a regular code of laws for the protection and benefit of our Indian subjects, all labour was free.

823. Previous to the passing of the Regulation of 1819, can there be any doubt that the legal freedom of the molungee was as clearly established as it has been since?—It was as clearly established theoretically by Regulation XXIX, of 1793, sec. 3, *et seq.*, and, I believe, existed practically; but there are in the Regulation of 1819 some additional provisions intended to accomplish that most desirable object. There are heavy penalties in that Regulation against a breach of the law.

824. Was not the object of that Regulation to provide against the effects of certain abuses which practically interfered with the acknowledged freedom of the molungee?—Abuses might partially have existed, as they will do in every country; and every government finds it necessary from time to time to add additional securities for the due administration of the law.

825. Can you undertake to say that that Regulation has been so effectual that not only the legal, but the practical, freedom of the molungee at present is clearly enjoyed?—I quitted India prior to the enactment of that Regulation in 1819; and I cannot therefore speak from my personal experience; but my belief is that the manufacturers of India, including the molungees, are now practically free; and that the rules for effecting that great object are efficient.

826. Do the natives of India consume as much salt as they would if the price was lower?—Certainly not. My belief is that they economise their consumption. I will submit to the Committee, with their good pleasure, a little estimate which I made in 1827, showing the rate of this tax contributed by the consumer, and the amount of his annual consumption. The rate of consumption, according to this estimate, is six seers, or about twelve pounds, on a medium, for each individual; but the poorer classes do not, of course, consume at the average rate. I should consider twelve pounds as the annual consumption of an individual in a country where the diet is very simple, not so much as is desirable, since salt is almost the only condiment or stimulant which they use. Of course, if the price of the article were materially reduced, the rate of consumption by the population generally might be expected to increase. I should state, with reference to the memorandum which I now submit to the Committee, that I estimated the population of Bengal, Behar and Orissa at 30,000,000, and I took an average of our revenue, since I had the honour of attending the Committee, I have made out another brief estimate, in which I have assumed the population at 37,500,000 persons, this being the result of a partial census in 1822, and I have taken the revenue at its produce in 1829-30, which however was below the usual scale. On these data the consumption would amount to five and one-third seers, or ten and two-thirds pounds per head; and the contribution of 7½ *d.* may be considered in effect as a species of poll-tax. I am disposed to place these estimates upon the Minutes of the Committee, as they appeared to be desirous of ascertaining from me my opinion with

respect

1 March 1832.

H. St. Geo. Tucker, Esq.

respect to the general character and tendency of the tax. I have elsewhere estimated this tax, on a medium, at 8½ *d.* for each individual; and perhaps that is a near approximation to the truth. I am by no means disposed to say that a tax, even at this rate, is a very light one to the poorer classes of our Indian subjects; and I myself should be extremely glad to see it reduced, by promoting the consumption of a greater quantity of the article at lower prices, so as to realize the same revenue, or nearly the same revenue, upon a larger and more liberal consumption.

[*The Witness delivered in the same, which was read as follows:*]

ESTIMATE made in 1827:

Population of Bengal, Behar and Orissa, computed at		30,000,000
Quantity of Salt consumed by this population, supplied from our sales	*maunds*	45,00,000
Gross sale, at about 390 rupees per 100 maunds		1,75,00,000
Deduct cost and charges, which constitute no part of the tax		50,00,000
Net revenue or monopoly profit	*rupees*	1,25,00,000
at 2 *s.* per sicca rupee	*£. sterl.*	1,250,000
Medium consumption of each individual	6 seers =	12 lbs.
Rate of contribution or poll-tax		10 pence.

ESTIMATE framed from the Accounts of 1829–30:

Population, now computed from a partial Census in 1822			37,500,000
Gross sales of Salt:			
Bengal	*maunds*	45,00,000	
Coast, &c. Salt		5,27,491	
		say *maunds*	50,00,000
Gross revenue		*rupees*	1,64,00,000
Deduct cost and charges, including the sum of about 4,00,000 rupees paid to the French and Danes			47,00,000
Net revenue		*rupees*	1,17,00,000
		or *£. sterl.*	1,170,000
Rate of consumption per head		5¼ seers =	10½ lbs.
Tax per head			7½ pence.

N. B.—The poor do not, of course, consume at the average rate. It must be observed that, in the year 1829–30, the latest for which the regular accounts have been received from India, the salt revenue was not so productive as usual; and I should consider the estimate made in 1827 as exhibiting a fair average of the revenue.

The revenue in 1830–31 will have exceeded that of 1829–30, and the selling price in May last in some instances somewhat exceeded our ordinary maximum of 450 rupees per 100 maunds.

827. It

1 March 1832.

H. St. Geo. Tucker, Esq.

827. It being admitted, therefore, that an increase of consumption would take place in consequence of the fall in price, it is not a necessary consequence that the importation of an additional quantity from England would throw any Indian capital or labour out of their present employment?—Not if the importation from Liverpool be in *excess* of the quantity at present consumed, and we consume that additional quantity. If, however, we can supply it from our own local resources, we employ *more* labour and capital.

828. Nor that the coasting trade from Madras to Calcutta would necessarily be diminished by opening the trade to that extent with Liverpool?—I think, if salt from Liverpool can be introduced at lower prices than the salt produced on the coast of Coromandel (*a fact, however, upon which I have very great doubts*), then it is quite clear that the Liverpool salt, in superseding the importation from the coast of Coromandel, *must* interfere with that coasting trade. With respect to another idea which the Committee appear to have entertained (judging from the nature and tendency of their questions), of substituting *private* agency for the present government agency under the monopoly, I would beg to make some further observations. The manufacture in this case would, I presume, fall into the hands of the zemindars, who were heretofore the great manufacturers of salt, or into the hands of native capitalists, or of European capitalists. In either of these cases, it appears to me that we should not possess the same security against the illicit manufacture of the article, nor against its escaping the operation of the tax, because I conceive that these capitalists would have much greater facilities for introducing it into consumption than the molungees, who manufacture under the immediate superintendence and control of the government agents. Individuals dealing on a large scale, both as manufacturers and merchants, would have a great interest in smuggling; and, although this practice, which in itself is a violation of the law, and in reality a *fraud*, is not likely to take place where respectable parties are employed, it is impossible that we should always be secure against it, relying merely upon the character of the individual; and if the whole of the present establishments and machinery were continued for the purpose of preventing the illicit manufacture, and the clandestine supply of the consumption, we should have in reality a *double agency*. We should have to maintain our present very expensive establishments, and the principal manufacturer must have *his profit in addition*. This would so far go to the increase of the cost of the article, and consequently to the reduction of the monopoly profit. At present our agents, who in fact superintend and conduct the manufacture, are placed under the solemn obligation of an oath; they are liable to dismission (and of course, with disgrace) from a respectable and valuable station. Severe penalties are also imposed in order to prevent malversation and irregularities by any of the public servants, under the provisions of Regulation X, of 1819.

829. There is a great deal of smuggling carried on, is there not?—I think not to a great extent.

830. Did you ever hear it estimated at so great an amount as one-third of the whole consumption?—I have not. I would, in conclusion, observe to the Committee, that the Board of Commissioners for the Affairs of India made some alterations in a despatch proposed by the Court of Directors to the government of Bengal in March 1827; and as the Board appeared to me to have in view the alteration or

1 March 1832.

H. St. Geo. Tucker, Esq.

or modification of the present system in a way which, as I humbly conceived, might prove injurious to this important branch of our revenue, I recorded on the proceedings of the Court, a dissent or minute, bearing date the 21st of March 1827, which can be submitted for the information of the Committee, if required. I may state briefly that the idea of the Board seemed to be, that it would be advisable to fix the *price* of the article to be disposed of at our golahs or warehouses, and to leave the *quantity* to be determined by the demand of the consumers. Under the present system we fix the quantity annually, enlarging it from time to time, and leaving the merchant and consumer, by open competition, to determine the price; my own opinion is, that the change would not be advisable; and although the plan may appear specious in itself, I apprehend that it would lead to a sub-monopoly, and to a diminution in this branch of the revenue. As, however, the question involves very considerable details, I can only refer to the document which has been placed by me upon public record.

831. Are you aware of a revenue letter from the Court of Directors to the presidency of Bombay, on the 10th of June 1829, in which the Court observes, upon the proposal to establish the present system of salt revenue in those provinces, that the method by which it was proposed to collect a revenue from salt in the Bombay territories had the advantage of relieving Government from the business of the manufacturer, to which it was ill adapted?—My opinion is, that the system adopted at Bombay, which is essentially to collect a duty upon the importation or transit of salt, can never realize a revenue upon the same consumption at all proportionate to our Bengal revenue. A large portion of the consumption must necessarily, I think, escape the duty; and practically, we have found that the revenue realized at Bombay from this source is very inconsiderable. From the latest despatches to which I have had access, it is still estimated at a very small amount as compared with our Bengal revenue, reference being had to the extent of country and population. It is estimated (I think by Mr. Elphinstone in 1822) at from five to seven lacs of rupees, while our Bengal revenue yields nearly one million and a half per annum at this moment. The Madras revenue (if I may be permitted to pursue the comparison) under a somewhat different system from that of Bengal, yields only about 300,000 *l.* per annum; the duty, including the cost at the present rate, amounting to 105 rupees per garce. The duty was lowered at Madras not long since (in 18 1, I believe); but it was found practically that the consumption did not increase in proportion, and that the revenue diminished. The rate of duty has since been restored to its former standard.

HENRY WILLIAM HODGES, Esq. called in, and examined.

Henry W. Hodges, Esq.

832. You were employed for some time in the province of Candeish, were you not?—Yes.

833. In what capacity?—Assistant to the collector.

834. Will you inform the Committee in what years and for what period that took place?—From the year 1818 until the month of May last year.

835. In what condition were those provinces when you were first appointed to your office?—In a very depopulated condition.

836. The

836. The villages were very generally deserted, were they not?—A great many of them.

837. Was that in consequence of the previous disturbances that took place?—In a great degree in consequence of the famine in 1803, and the disturbed state since that period.

838. What is the nature of the settlement in those provinces?—Ryotwarry settlement.

839. Does the meerassadar exist there?—Not at present, and has not, I conceive, for many years past.

840. Is the ryotwarry settlement in Candeish established upon the detailed survey in which it exists at Madras?—Not the detailed survey.

841. To what extent has the survey been carried in that country?—There has been no survey, but the cultivated lands have been every year measured.

842. They are measured for the purpose of annual assessment?—For the purpose of annual assessment.

843. Do you consider that the assessment of Candeish is now, generally speaking, upon a tolerably equal footing?—I conceive that the data has been very imperfect indeed on which it has been fixed, so much so, as hardly to give the collector the power of judging whether the assessment is fair or otherwise.

844. Have you been at all acquainted, in the course of your residence in India, with the operation of the ryotwarry settlement?—My knowledge, in this respect, is confined to the province of Candeish.

845. In what state were the records of that country when we obtained possession of it?—Their condition was to the last degree imperfect and unsatisfactory. I may say there were no detailed or consecutive accounts, or any whose authenticity could be relied on.

846. Do you suppose there would be means found within that province for effecting a detailed survey, supposing it were considered advisable to introduce it?—No, I think not. I think there would be greater difficulties in that province than in any other of making a satisfactory survey.

847. Are you aware of the precise means that were adopted by Sir Thomas Munro, and those who acted under him, for the adoption of a ryotwarry settlement in the presidency of Madras, as to the employment of natives?—I have read Sir Thomas Munro's reports upon the subject, but further I have no knowledge.

848. From your knowledge of those documents, should you be disposed to say that it would be found very difficult to introduce such a settlement into the provinces of Candeish?—Yes, I think so; the difficulty arises from a want of records, and from the depopulated and waste condition of the country.

849. How is that revenue collected; with tolerable regularity?—Yes, it is.

850. Are there no great outstanding arrears?—No, no great outstanding arrears; but large remissions have been made every year, otherwise there probably would have been very considerable arrears.

851. Is the settlement made individually with each ryot?—Yes, the settlement may be considered as made individually with each ryot; a pottah being given to each ryot.

852. Does the village constitution exist in that province?—Yes, it does.

853. But

1 March 1832.

Henry W. Hodges, Esq.

853. But no use has been made of that for the purpose of assessing the land revenue?—So far use has been made of the village constitution in assessing the lands, that the assessments have been made, in some degree, with the concurrence of the potails, or head men of villages, and from information derived from the coolkurnees, or village accountants, and the imperfect documents furnished by them.

854. What is generally the species of cultivation in that province?—Principally grain, but cotton, sugarcane and indigo are also cultivated; and the latter is considered to be of a good quality.

855. Is there a very large proportion of waste land?—A very large proportion indeed.

856. Is the cultivation extending?—I cannot say that the cultivation is extending; it has not diminished, I think.

857. What is it, do you think, which operates against the cultivation, assuming that the country has been in a state of peace, and that there is a large extent of waste land?—The difficulty of disposing of the produce.

858. Has that difficulty existed during the whole period of your experience?—It has existed certainly, and is increasing, and has lately been considerably felt in the province.

859. To what causes do you attribute that difficulty?—It is difficult to affix any precise cause.

860. Is it a general fall of prices?—It is a general fall of prices.

861. Is there anything in the amount of assessment which you think would remedy it?—No, I think not. I think the assessment in Candeish is as low as in any collectorate of the Deccan.

862. Do you know whether it is the policy of the Bombay government to prepare for the introduction of a survey assessment, where it may be found practicable?—Some attempt has been made, but I understand abandoned, in the Deccan.

863. You were not concerned in the operations, were you?—Not at all.

864. Have you been at all acquainted with the growth of opium in the Malwa provinces?—Not at all.

865. How far do you consider the natives of that province capable of employment in the administration of the revenue department?—Many of those now employed are well qualified for the duties.

866. Do you think they are in a condition that would permit their being more extensively employed in the revenue departments than they now are, as far as your knowledge enables you to state?—I think they are, certainly; though I cannot state precisely how they should be employed.

867. Have you generally found them trust-worthy in their communications with their officers?—There have been many instances certainly in Candeish where it has been proved that they are not trust-worthy; but I believe that there are a great many who are perfectly so; and there are doubtless many who have proved themselves honest and valuable servants.

868. Are there any transit duties levied in the province of Candeish?—Yes, there are.

869. Upon all the frontiers?—Not upon the frontiers, but in every pergunnah; the old system has been continued.

870. To

870. To what extent has it continued in the transit of goods?—They pay in every pergunnah.

871. Is not that a most vexatious check upon all intercourse?—It appears so, because the custom must of course accumulate in proportion to the extent of country through which these goods pass.

872. Are those transit duties equal in every pergunnah, or do they vary?—They vary.

873. Does not that create considerable confusion?—It is not complained of. It is the old system.

874. Do you consider their not being complained of is the result of long established habit?—Very probably.

875. Are they very heavy generally?—No, they are trifling in each pergunnah.

876. In the transport of goods through the province, would they not amount to a considerable duty?—They would certainly.

877. Do you not consider that that system does practically operate very much to the suppression of intercourse between the different parts of the province?—I conceive that it does not.

878. Is it the only province in which that transit duty exists?—No; it prevails throughout the Deccan I believe; also in the province of Guzerat, and in all native States.

879. Is it a duty levied by the government officers?—The customs are farmed every year, and levied by the servants of the farmers.

880. Is it a valuable source of revenue?—Yes, it is; I think it was about a lac and a half every year in Candeish.

881. Have you ever considered whether it would be possible to abolish the system, and to substitute any other source of revenue?—I have not myself considered it; but I believe it has been considered by the government of Bombay; but there are many difficulties opposed to the abolition of the present system.

882. What are the difficulties which you think oppose themselves?—I doubt the possibility of substituting any system which would not be attended with a great sacrifice of revenue.

883. Has not the abolition of transit duty been effected in other provinces?—Not in the Deccan. In the provinces under the Madras government I believe it has. I have frequently conversed with native merchants, with a view to discover whether the present system was deemed by them objectionable or injurious to commerce, and I never found that it was so considered.

884. Are there any large landholders in that province?—No, there are not; jaghiredars, I presume, are not alluded to.

885. Are there any persons in the situation of the great zemindars of Bengal?—Not exactly in the same situation, but there are zemindars under the denomination of daismorkhs and daispandeahs, who enjoy emoluments derived from a share in the revenues, and rent free lands.

886. Are they wealthy?—No.

887. Has the revenue received from Candeish fallen off?—Yes, it has, considerably; but I believe not more so, probably less, than in the provinces of the Deccan.

Lunæ, 27° *die Februarii*, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

III. REVENUE.

27 February 1832.

Holt Mackenzie, Esq.

HOLT MACKENZIE, Esq. called in and examined.

888. WHAT is the last public situation which you held in India?—I was Secretary in the Territorial Department to the government of Bengal.

889. Have you had opportunities of becoming acquainted with all the different sources from which public revenue is derived in the different presidencies in the East-Indies?—At Bengal the correspondence of Government regarding all branches of revenue, except the post-office and the tributes of native States, was conducted through my office.

890. In India, where the conveyance of letters must necessarily be attended with considerable difficulties, and where the amount of correspondence cannot be supposed to be very large, is the post-office an establishment that can be looked to as productive of revenue, or must it necessarily happen that the receipts can hardly be more than paying for doing the duties which the post office discharges, namely delivering the letters?—I am on the whole disposed to think that it ought to yield a net receipt; but there being many subordinate post-offices in which the disbursement must necessarily exceed the receipt, those at the distant residencies for instance, the amount cannot, for the present at least, be expected to be great.

891. Is it an establishment which is found exceedingly convenient in India, and tends to enlighten and civilize the more distant provinces?—It is exceedingly convenient: of its effect in enlightening the people I cannot venture to speak; the natives who use it, do so chiefly I believe for commercial purposes.

892. The Committee are desirous particularly of obtaining information upon the class of duties which are described to them as transit duties. Are those of ancient origin in India; did we find them established in the country when we conquered it?—We found everywhere, I believe, transit duties established, though not collected upon the present system. What were called Rahdaree duties were common throughout India, being collected on the transit of goods through each revenue district.

893. With respect to the extensive territory over which British influence prevails, must there not necessarily be many parts over which our control is so imperfect that we could not set aside the transit duties, even if it were found desirable to do so; the question alludes particularly to those states which are said to be under the protection of the Company?—Generally, I believe, the treaties with the protected States give the Company no right to interfere in the internal management of their revenues. The only exception I recollect is that of the State of Oude, with which a commercial treaty, entered into by Lord Cornwallis, is still considered to be in force; and by that the Nuwab was bound to admit British goods at certain fixed duties, his dominions then including the provinces ceded in 1801.

894. Was

894. Was this treaty reciprocal, and were the products received upon that State fixed upon a similar principle to that upon which the Nuwab agreed to admit the produce of British territories?—Yes; on the part of the British Government it was agreed not to levy more than 2½ per cent. upon the piece goods of Oude. In some other instances special agreements have been made with petty chiefs, and compensation given to them on the condition of their relinquishing their transit duties; but in most if not all of those cases the Government has, I believe, subsequently had the arrangement annulled, having reason to suspect that the compensation was received, and that the duties continued to be levied. And without a distinct treaty or agreement, the Government has certainly no right to interfere with the management of the revenue of protected States.

895. The Committee conclude therefore that upon the boundaries of all those States, upon the admission of goods from them into the territories in the possession of the East-India Company, a duty of the nature of an inland custom-house duty is levied upon all commodities; is that so?—It is by no means uniformly so in the Bengal territories. The inland import duty upon goods brought into the Company's territories from foreign States, is not distinguished from the ordinary transit duties chargeable on similar articles transported from one part of the presidency to another. And in regard to these, the general rule is that they shall only be levied when the goods pass through certain lines of custom-house posts (chokees); salt alone being subject to duty on its importation into or transportation through any post of the Western Provinces.

896. Is that line of custom-house posts not drawn upon the boundary?—Not generally. In Bengal and Behar the custom-house posts are almost entirely confined to the banks of the rivers which form the principal routes of commercial intercourse; and even in the Western Provinces they are chiefly on the Ganges and Jumna. Thus the extensive country between Calcutta and Benares, which lies to the west of the Hooghly, and south from the Ganges to the borders of Berar, has no custom-house post within it. The still more populous and extensive districts to the east and north-east of Dacca, and thence westerly between the Ganges and the hills, to the very frontiers of Oude, are similarly free from them. The custom-house at Mirzapore may be considered a frontier custom-house, though it is intended to collect duties only on goods proceeding to and from that mart, and though the imports must now, for the most part, have passed through our new acquisitions, Saugur and the Nerbuddah territories. In the extensive province of Bundelcund, west of Benares, there are no custom-houses, nor any custom-house posts, excepting on the Jumna, which forms its inner boundary, separating it from the ceded districts in the Doab, its frontier being quite open. Further to the north-west, several of the posts of the Agra, the Delhi, and the Meerut custom-houses, control the imports from foreign states almost immediately on their passing the frontier: and if we come easterly to the Rohilcund frontier of Oude, the custom-house posts will I believe be found (though I cannot speak positively to the fact) to coincide generally with the boundary of the British possessions. In like manner, in so far as the river Ganges forms the south-west boundary of Oude, it will be found that the line of custom-house posts dependent on Furruckabad, Cawnpore, or Allahabad, embracing the whole course of the river, so as to render all goods passing it liable to

27 February 1832.

Holt Mackenzie, Esq.

to duty, coincides with the limit of the two states. But again, on the eastern or Gorruckpoor frontier of Oude no such posts are established.

897. Where are the duties levied upon such produce as is imported from the Gorruckpoor frontier into the territories in the possession of the Company?—If consumed within the district of Gorruckpoor, such produce will not be subject to any duty; and so, if carried by land to the northern districts of Behar, or to the Bengal districts which lie to the north of the Ganges, no duties will attach to it: if brought to the Ganges it will fall within the line of custom-house posts belonging to Benarès, Ghazeepore, or Putna, and be subject to duty.

898. Turning your attention now to the territories that are in actual possession of the East-India Company, be so good as to state, as nearly as you can recollect, under what circumstances the country was situated when it was first occupied by the British, with respect to the imposing and levying the transit duties, with a view to enable the Committee to understand what change has taken place; how it was when we found it?—When we first acquired the country, as great variety of tolls and duties were levied, partly at custom-houses, and partly by amils, zemindars, and revenue farmers. Every great zemindar assumed, with or without authority, the power of collecting duties on merchandize passing through his zemindary; and there were besides duties of different kinds and different rates levied upon everything brought for sale to any mart or market.

899. At what time was an attempt made by the British authorities to put the transit duties upon a better footing, and to give the country the benefit which would arise from its being under one general system of taxation?—In Bengal, Behar, and Benares, almost immediately after the British Government took the management of the revenue into its own hands, it began a gradual system of reform by abolishing the duties which appeared most detrimental to the commerce of the country; and by the rules contained in the code of 1793 and 1795, all sayer or internal duties which had been collected by individual landholders and farmers were abolished. The same course was followed in the Ceded and Conquered Provinces, immediately on their acquisition; and thenceforward, throughout the country to which the printed regulations extended, all collections were regulated by specific enactments. Still, however, different parts of the country were treated as if they were separate possessions, and subjected to different laws; the Ceded and Conquered Provinces having one system, Benares another, and Behar, Bengal, and Orissa, a third; but in 1810 a general revision of the system was effected, and the plan that now exists, by which all those provinces are placed under one law, was established by Regulation IX. of that year. In the Delhi territory the customs continued until 1823 to be managed very much according to the native plan, excepting that the collections were made by distinct officers immediately on account of Government; in that year it was brought under the general system established within the regulation provinces.

900. Have large acquisitions of territory been made since the year 1810; and has the system you have described been extended to the districts acquired since?—The same principles have been pursued, but with modifications suggested by local circumstances, throughout the territories added to the Bengal presidency during the administration of Lord Hastings; and in the Nerbuddah territories particularly, the system

system was carefully revised by the commissioner, Mr. Molony, and rules laid down establishing a plan corresponding in its great features with that established in the older provinces. In our acquisitions from the Burmese, I believe no transit duties are levied.

901. Has the system of transit duty been reduced to one uniform state, or is there still a duty collected internally on the boundary between the newly acquired provinces and those which have been for a longer time in the possession of the Company; have all internal collections been done with, and is the transit duty collected only upon external boundaries?—Of the transit duties on most articles, the larger part must be considered an internal collection; the principle is to collect upon the great routes of commerce, and to fix the subordinate posts of the several custom-houses as near as is possible, consistently with that object, to the places where the European collectors are stationed.

902. Is there not a considerable proportion of the transit duties which are local as well as internal, and the product of which is applied to local purposes, for the maintenance of the police and other institutions in particular towns?—There are separate town duties, which were at one time applied to local purposes. These are levied upon certain articles on their importation for sale, store, or consumption, into the several cities and chief towns.

903. How can the Committee distinguish between such transit duties as are collected for general and public purposes, and such as are only local and particular in their application?—The whole are now applied for general purposes. The resolution to appropriate the town duties to local purposes was taken when the Government imagined that it had a surplus revenue, as explained in a Minute by the then Governor-general, Mr. Adam, which has been printed in the Appendix to the Report of the 11th October last, (p. 636 *.) Previously to that the town duties had been collected for general purposes, and they have since been brought back to their original destination; the amount expended in the improvement of the towns being now restricted, in consequence of the financial difficulties of the government.

* Page 126. First Appendix to the Third Report.

904. Out of what funds are those charges now provided in the different towns, which used to be supported by the town duties?—The greatest part of the charges have ceased; they were incurred by improvements in the streets, roads, and bridges, and other public works, the prosecution of which has been stopped.

905. Do transit duties exist within the different presidencies; would goods transported inland from the presidency of Madras into the presidency of Bengal pay a transit duty?—Goods so transported would certainly be chargeable with duty, if they were of the description to which our transit duties attach, and came within any line of custom-house posts; but the only place at which the presidencies meet is the frontier of Cuttack, and there are no inland custom-house posts in that province, nor indeed nearer to Madras than Calcutta; so that the case is not likely to occur; but there is no exemption for goods in the predicament supposed.

906. Does a similar practice prevail between the presidency of Madras and that of Bombay?—I imagine so.

907. Can you, from recollection, inform the Committee what is the gross amount of the transit duties collected in any one year?—I suppose the gross collections amount to between 600,000 *l.* and 700,000 *l.*

27 February 1832.

Holt Mackenzie, Esq.

908. Can you inform the Committee what the expense of collecting it is?—I think about 16 per cent.

909. When you state the amount as 600,000 *l.* or 700,000 *l.*, does that answer apply to Bengal only, or does it include the two others?—That applies to Bengal only.

910. Are the rates according to which the duty is charged uniform, well known, and correctly ascertained?—The rates of duty are all established by regulation, and have long been fixed; but the duty is generally levied *ad valorem*, with the exception of salt, tobacco, and a few minor articles, which are subject to a fixed duty upon the quantity, and of silk and indigo, of which the valuation is fixed.

911. What persons are entrusted with the duty, or what mode is resorted to for ascertaining the value of the goods in their transit?—There are books of rates prepared under the orders of the board of customs annually, fixing the value of articles as far as they can be fixed. With respect to some of the articles, such as piece-goods, of which the value of different descriptions varies extremely, they are left necessarily to be appraised upon the examination by the officers of the several custom-houses.

912. Are those officers natives or Europeans?—With the exception of Calcutta, the appraisers are all natives.

913. Have you reason to believe that they discharge their duty correctly and faithfully?—I apprehend not.

914. Is there not reason to apprehend that, in point of fact, under a system of this kind, a larger sum must be paid by the traders than ever finds its way into the coffers of the Government?—I should think certainly.

915. Do you attribute that state of circumstances rather to this mode of collecting the duty, and apprehend that it would exist in all countries to a certain degree; does it belong to the system, or do you think it arises from a want of high sense of honour and integrity in the native servants, or from want of sufficient pay to make them act honestly?—I think it arises from all the three causes; the system is a very bad one. The pay of our native officers is generally not at all proportioned to the responsibility of their situation; and they have not, I imagine, any high sense of honour, nor can have under those circumstances. I should perhaps add, that I have a bad opinion of custom-house morality in all nations.

916. Can you refer the Committee to any document which will lead them to see what the amount of the charge is on the different articles on which the duty is levied. Is there any schedule of customs?—The schedules which are annexed to Regulation XV. of 1825, will, I think, afford the Committee the information required; excepting as to the salt of the Western Provinces, of which the duties have been fixed by Regulation XVI. of 1829.

917. Are all goods, whether of Indian origin or of foreign import, subject alike to those transit duties in their passage through the country?—Goods imported by sea pass free in the interior, whether they are chargeable with an import duty or not.

918. How long has that system been established; from our first occupation of the country?—I cannot immediately say when it was established. But it is specifically provided by one of the rules of Reg. IX. 1810, that goods imported by sea shall

shall pass inland without question, under the protection of what is called a free pass, and which is issued on payment of a small fee. At that time scarcely any articles were exempt from duty on importation by sea, except the Company's commerce, the special exemption of which of course ceased upon the separation of the commercial and the territorial branches; and subsequently, when various articles from England were admitted free of import duty, the right of free transit was continued.

919. With respect to goods which are destined for foreign export, is a transit duty levied upon them?—On goods chargeable with transit duty, that duty is generally levied in the interior, or on entry into Calcutta, if not previously paid; drawbacks being allowed in whole or in part on export by sea, as specified in the schedule annexed to Reg. XV. 1825. But in several cases a bond for the duty is taken, instead of payment in cash, which bond is cancelled upon export.

920. Is the duty that is ultimately collected upon goods destined for foreign export any considerable portion of the whole 700,000 *l.* you state to be collected? —The amount of transit duty retained on goods exported by sea does not, as well as I recollect, form any considerable part of the whole that is collected. But I shall probably be able to procure a more accurate statement than, without warning, I can hope to give from memory.

921. Are the Committee right in considering that those transit duties are rather a burden upon home and external commerce than upon home trade, whether export or import?—The largest portion of the duty falls upon the internal trade of India.

922. Have the goodness to state to the Committee upon what articles principally the largest amounts are collected, which form therefore the principal sources of this great revenue?—The largest collection is made from the different kinds of salt, which are imported chiefly from the country to the west of Delhi and Agra, being partly manufactured within the British territory, partly in the Bhurtpore country and other places in that vicinity, and partly at the Samur lake in Rajpootana: some rock salt being also brought from Lahore.

923 Can you state what the inland duty upon salt is?—I suppose it amounts to about 170,000 *l.* The other articles which are chiefly productive, are cotton, sugar, saltpetre, piece-goods, silk and iron. The duty on indigo is for the most part secured by bond; and what is retained is chiefly on account of exports on foreign bottoms.

924. Is it levied upon articles of food?—No; and the town duty, chargeable by Regulation, on grain, has never I believe, certainly not for many years, been collected.

925. Upon opium?—The opium revenue is not realized in the form of a direct tax, but by the sale of the article under a system of monopoly.

926. What is the amount of duty upon piece-goods and sugar?—I cannot immediately bring it to mind.

927. In what mode is the duty upon indigo collected?—It is liable, like other articles, to a transit duty, but is generally brought into Calcutta under bond; and in the latter case the amount is payable upon export to any country other than Europe or America, or to any quarter on a foreign bottom: indigo exported to Europe or America on a British bottom being free.

27 February 1832.

Holt Mackenzie, Esq

928. It would appear upon first view of these duties, that those which are collected upon the boundary of the British possessions fall strictly within the class of foreign custom duties, and are to be distinguished entirely in principle from those which are collected upon matters of internal growth and internal consumption; can you state upon recollection whether any considerable portion of the whole may be considered as foreign custom duty?—With the exception of the collections on salt, cotton, and iron, I should imagine that a very small portion of the transit duties can be considered as a foreign duty. The amount realized on iron is not very considerable, and there are no means of distinguishing, in the accounts, the cotton of foreign states. So likewise the piece-goods of Oude, on which no great amount is realized, cannot, I apprehend, be separated from those of our own districts.

929. Do either sugar, tobacco, indigo, opium, or silk, come in considerable quantities over that inland boundary which is the limit of states strictly within British possession?—Opium is not allowed to be imported at all; and I apprehend that little of any of the articles mentioned come from foreign states. There may be some sugar from Oude. What is called Oude indigo is in fact almost wholly made within the ceded territories, which formerly belonged to Oude, but are now in our own possession; and the duty retained is mostly on the export by sea: the transit duty on indigo not exported is considerable.

930. In the sum of 600,000 *l.* or 700,000 *l.* which you have stated to amount from the duties, are the Committee to understand that you include sea customs?—Yes, I include the whole.

931. Do you bear the amount sufficiently in recollection to distinguish what portion of the whole arises from sea customs?—I should say about 150,000 *l.*

932. So that the whole sum of 150,000 *l.* arises in the interior from salt, and about an equal sum from sea customs?—I should imagine so, on an average of years; but probably about 170,000 *l.* is now realized from salt.

933. Is there any paper to which you can refer the Committee which contains an accurate detail of sea customs?—The Regulation to which I have already referred, No. XV. 1825, contains a detail of the rates; and there are annual accounts rendered which will exhibit the amount.

934. Is the amount of transit duty collected on goods that are destined for exportation over sea, and which you have stated to be drawn back, large?—The amount of drawback is considerable. I do not immediately bear in mind the precise sum.

935. You have stated the amount of the duties at 700,000 *l.*; did you deduct the amount of drawback?—No, I did not. The drawback I think is about 60,000 *l* or 70,000 *l.*

936. It has been found that in the arrangements which have been made from time to time in the custom-houses in the United Kingdom, the duties drawn back have for the most part led to considerable inconvenience as well as fraud; have you any reason to believe that fraud and inconvenience are felt in Bengal by the transit duties being collected and drawn back on articles of foreign export?—Occasional instances of fraud have occurred, but none to any great extent have come to my knowledge. The inconvenience is very considerable, both in the payment by the merchant of the money, and to the public officers in adjusting claims. It occupies a separate department in the custom-house.

937. Do

937. Do you entertain any doubt that the transit duties, as they are at present collected, are a very considerable inconvenience and impediment to internal commerce?—I consider them a great inconvenience and impediment to trade.

938. Have they not a tendency in preventing persons with small capitals from acting as merchants, and from making beginnings which might afterwards lead to more extensive mercantile transactions?—I think they must do so in a considerable degree; for small capitalists can hardly pay their way through the custom-house posts they will meet if moving to any considerable distance. The great highway to Calcutta, for many hundred miles, is the river Ganges; and along that river the custom-house posts are chiefly stationed. Now from the central district of Allahabad there are eight custom-houses, including that station and Calcutta, and to each custom-house there are several posts attached; at each of which the goods of the merchant are liable to detention and search. So that all goods making use of that great channel of inland communication, especially those belonging to petty merchants, are subject doubtless to a very considerable tax in the shape of bribes, and delay and annoyance.

939. Believing always that the state of the finances of the East-India Company is such as to make it desirable that no article of revenue should be got rid of or dealt with excepting upon the principles of exchange and equivalent, do you think that any arrangements could be made of duties, either internal or external, which would collect an equal sum for the Government, and yet place less impediment in the way of general commerce? It seems to the Committee that the amount to be provided for, excluding the duty upon salt from the westward, which they presume must continue without diminution, excluding the amount of sea customs, and deducting also the amount of duty drawn back, is 350,000 *l.*: could any arrangement of custom duties, whether of import or export, be made, which would provide an equivalent, and free the general commerce of the country from the burthen which it now labours under?—I think that probably there must be a temporary sacrifice to a certain extent; but if the goods imported from England now free were subject to a duty, and the rate of duty upon other imports increased, as I think they might be increased, I should conceive that even the immediate sacrifice would be very inconsiderable, and that ultimately the result would be rather an increase of income than a falling off.

940. It appears to the Committee, that as the duty to be substituted in lieu of the present transit duties would be substituted for home trade, it would be very right to look for any amount that might be collected either upon coasting trade or upon trade to other Asiatic countries coastwise, rather than to any imports from Europe: could any income be derived from those sources?—I think the duty upon some articles might be increased; but I should look for compensation chiefly to imports from Europe.

941. Will you be good enough to turn your attention to the subject, and furnish the Committee with such suggestions as may appear to you to be worthy their consideration?—I shall be happy to do so; but I fear nothing like an equivalent for the transit duties can be obtained without taxing imports from Europe; and I may observe, that as the transit duties are levied without any very distinct reference to the circumstance whether they are brought from foreign countries or belong to our own

27 February 1832.

Holt Mackenzie, Esq.

own possessions, or whether they are designed for home or foreign consumption, so their effect on the export trade to Europe can scarcely be measured by the mere amount retained on that trade; all goods passing the custom-house posts being equally subject to the law. for whatsoever market destined.

942. What duties are included under the term sayer?—The chief item is the tax upon spirituous liquors and intoxicating drugs, collected under the designation of abkaree. The pilgrim tax is another item; and there are tolls upon some of the rivers, and other petty miscellaneous collections, which will be found specified in the annual revenue accounts.

943. Is there anything of the nature of house-tax levied?—Not for purposes of general revenue; there is a house-tax levied in Calcutta for police purposes. The spirit duty is chiefly levied by means of licenses for establishing shops; and so with the retail sale of opium and other intoxicating drugs, in the interior of the country.

944. Have those duties the effect of discouraging the sale and consumption of spirits, or are they considered a kind of protection and permission to sell and consume those things?—I imagine that, on the whole, the consumption would be more if the sale were free. It has, however, by some been supposed, that if Government did not make it a source of revenue, the police and even individual zemindars would frequently prevent the establishment of shops within their limits; but I have no conception that such a restriction would operate to any great extent against the inclination of the people.

945. Is there no duty upon spirits except the license duty?—There is a still-head duty for spirits manufactured in English fashion.

946. Do you know the amount of it?—The still-head duty is six-sixteenths of a rupee per gallon, London proof.

947. Is that a duty subject to much evasion?—I should imagine not.

948. Is considerable revenue derived from it?—Not very considerable, but I do not immediately remember the amount.

949. Is any considerable duty levied upon foreign spirits imported?—Ten per cent. upon imports on British bottoms, and 20 per cent. upon imports on foreign bottoms.

950. Is the import considerable?—I think about 50,000 *l.* worth; but I do not immediately recollect the quantity.

951. In what way are the shipping supplied with spirits?—They used, I believe, to be supplied to a considerable extent with rum manufactured in Bengal, but spirits from Europe being now very cheap, the consumption of Bengal rum has fallen off. There are annual accounts submitted by the magistrates of Calcutta, who collect a considerable portion of the still-head duty, which will give more accurate information than I can hope to do.

952. In what way is the duty upon arrack collected?—If imported by sea it is subject to different duties, as specified in the schedule No. 1, annexed to the XVth Regulation of 1825, according to the place of manufacture. But upon spirits made in the country, according to the country mode of distillation, the duty is principally collected in the form of a daily tax payable for a license to manufacture and sell, without distinction of the material from which they are distilled.

953. Do

27 February 1832.

Holt Mackenzie, Esq.

953. Do you think that is a duty that is capable of extension or increase?—The collections have been gradually extending, in consequence probably of extended population; but I am not immediately prepared to suggest any measure by which the revenue could be essentially improved.

954. Is there any other considerable item that is included under the definition of sayer?—Not in Bengal.

955. Are there any other trades carried on under license?—Not that I am aware of.

956. Do you recollect the amount of stamp duties which are levied?—I think the stamp duty is now about 300,000 *l.*

957. Do you think that the stamp duty is one that is well suited to the condition and circumstances of the country?—I see no strong objection to any part of it, excepting the charge upon law proceedings.

958. Is a large portion of the revenue derived from the stamps upon law proceedings?—A considerable portion certainly is derived from law proceedings; but there exist, as far as I know, no means of accurately drawing the distinction between law stamps and those of a miscellaneous nature, our system tending much to confound the two.

959. Which branch of stamp duties do you believe to be most productive?—I should suppose, on a rough guess, that the stamps upon money dealings and miscellaneous papers of all kinds, are the most productive.

960. Are they productive of any considerable inconvenience?—I do not apprehend that the stamps upon money dealings are productive of any considerable inconvenience.

961. Do you allude to bill stamps and stamps upon bonds?—Yes, to instruments of all kinds inferring the obligation or containing the evidence of a money payment.

962. Are receipt stamps used in India as they are in this country?—Yes; and stamps are required for various papers and documents which it is difficult to know whether to class with law papers or not. Thus, petitions to public officers in the revenue department, and copies of records, and the like, are required to be written on stamped paper.

963. Is the revenue derived from stamps upon the increase?—Yes, it has been increasing.

964. Does the want of a stamp duty vitiate a deed?—In the courts of judicature and public offices in the interior it does; but not in the Supreme Court, I believe.

965. If that is not so, is it reasonable to expect that any great revenue can be collected upon stamps?—I think not.

966. Can you suggest to the Committee any improvement upon the system on which the stamp duty is now collected?—None; excepting to make the prescribed stamps necessary to the validity of instruments filed in court, which seems to be unobjectionable now that the law is sufficiently well known.

967. What class of stamps did you particularly allude to, when you suggested that it might be convenient to change the rule on stamps for law proceedings?—I principally referred to the stamps required for plaints and petitions of appeal, which

27 February 1832.

Holt Mackenzie, Esq.

which were substituted in 1814 for what was called the institution fee, being the amount payable by plaintiffs and appellants on instituting a suit or preferring an appeal in any court of judicature; but there are also stamps chargeable on all exhibits, on the summons of witnesses, on miscellaneous petitions, and on copies of papers.

968. Is it a class of duties which was got rid of seven years ago?—I imagine it is of the same general description.

969. With reference to the duty collected by post-offices, is there any privilege of franking similar to that which is allowed to Members of Parliament in Great Britain, or official men?—The privilege is not precisely similar, because public officers in India are bound or expected not to make use of it for private purposes, and are required to write "Service" upon the letters that are to go free; on the other hand, there is no restriction as to weight and number: and I fear that the privilege must be sometimes carried beyond the strict letter of the law. In regard to particular persons, the Governor-general and Governors, the members of council, and the judges of the supreme courts, the exemption from postage is absolute.

970. What is the nature of the abuse in the privilege of franking to which you allude?—I imagine that private correspondence must often be carried on by letters marked "service."

971. Would it be possible to limit the privilege of franking of those persons to so many letters per day?—I should think not; the only remedy would be to make them pay for their letters, and charge the sums disbursed to public account. Some natives, I may remark, have private posts which it might be right to prohibit.

972. Are you acquainted with the regulations under which the revenue on salt is levied in Bengal?—Yes, I am.

973. Has not a change of late years been made in the account to which the profit derived from salt is carried; used it not to be considered a commercial profit, and is it not now carried to the account of the Government?—I am not aware that it was ever considered a commercial profit. In the Bengal accounts it was always entered as one of the items of public revenue, in so far at least as I know.

974. Do you recollect the amount that was collected in the latest year for which the accounts have been received in Great Britain?—The gross receipts are about two millions sterling; the net probably about a million and a half.

975. Do you recollect what is the latest year to which the accounts are made up?—1828-29 is the latest, I believe, for which the accounts have reached England.

976. Have you reason to believe that the deductions upon the gross profit is as large as 25 per cent.?—Yes, rather more, including the advances made to the manufacturers; that is including the cost of production.

977. Do you bear in mind at how many stations in Bengal salt is manufactured?—There are in Cuttack three agencies. Next to Cuttack is Hidgelee; then Tumlook; then the Twenty-four Pergunnahs; then Jessore; then Bullooah, and then Chittagong; embracing in that order, from west to east, the whole head of the Bay of Bengal.

978. Does the cost of production vary materially in those different agencies?—Yes; there are considerable differences.

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27 February 1832.

Holt Mackenzie, Esq.

979. Can you inform the Committee what object the Company have in view in continuing to contract for salt in an agency in which it costs more than in another?—There are these reasons. If the salt was not manufactured on account of Government in the agencies where the cost is highest, it would probably be manufactured illicitly on account of individuals. The convenience of the trade to different quarters has also to be considered; and there is the necessity of getting a larger supply than could be obtained from the cheap agencies without additional price.

980. Are the Committee to understand, that in the agencies in which salt is now produced at the lowest price, if a larger quantity was to be contracted for, a higher price must be paid for it?—I should think so, certainly, if it was wished to extend the contracts rapidly.

981. With respect to a clandestine manufacture of salt, is it possible that it could be made so privately and so secretly that the Government would not have a power of putting it down if they wished to do so?—I should think it would be difficult to put it down, especially if the present prices were maintained, and these can only be lowered by a larger supply. Now the manufacture in the places where it is dearest has two effects; the putting down of the illicit dealings, and the supplying of local demand.

982. Have you ever had the means of ascertaining the number of persons that are employed in those manufactures?—Not with any accuracy.

983. What is the nearest guess that you can make as to their number?—My present impression is, that upon an average one man may be considered to manufacture about 40 maunds; and a manufacture of 50 lacs of maunds would at that rate give upwards of 120,000 people.

984. What is the condition of those people; is it better or worse than that of the general cultivators of the country?—I believe it to be generally better; they are ordinarily cultivators of the land at the same time that they make salt on account of government.

985. Are you aware that a contrary opinion has been expressed and pretty generally prevails?—I believe that such an opinion has been often expressed; and I have no doubt that at one time, before the year 1793, the manufacturers of some of the agencies could hardly be considered as free. The rules of 1793 made them theoretically entirely free, and now I believe they are quite free practically.

986. In what state is a molungee with respect to his freedom, if he gets into debt with his employer; would he be at liberty to quit his employment? I imagine that at the end of the season he would, for I do not think that their engagements extend beyond the season; and in Bengal the outstanding balances, if any, are very small.

987. What were the regulations which it was found necessary to enforce, in order to ensure the freedom which you say the molungees have now obtained?—It was declared by regulation that no man should be forced to take advances, or to engage in the manufacture, without his free will, and that all persons might relinquish the employment after performing their engagements, without hindrance or molestation; and persons using compulsion were rendered subject to penalties by the courts of law, besides dismissal from office, if public officers.

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27 February 1832.

Holt Mackenzie, Esq.

988. Have you yourself had any opportunity of seeing those people during the time they were employed in the manufacture of salt?—I have seen a few actually at work in the Twenty-four Pergunnahs, 15 or 20 miles from Calcutta.

989. Do you speak from your own knowledge, when you say that their condition is rather better than that of the cultivators?—With regard to those men I should speak from my own knowledge; generally from the report of others. But I knew that where the manufacture of any place was reduced, it was always said to occasion complaint; and I remember that when some of the manufacturers of Tumlook were deprived of the manufacture, as a punishment for some offence to the agent, they came in great numbers to Calcutta with a petition to be again admitted to employment. It was my duty to receive the petition; and the inquiries I made upon that occasion gave me reason to think that to be so employed was considered an object of value by the people.

990. Is the land upon which the salt is made included within the permanent settlement, and does it form part of any known zemindaries?—A great part is so included, but in some places lands have been specially reserved; and of the salt made in the Twenty-four Pergunnahs and Jessoor, a good deal is manufactured within the Sunderbunds, which do not belong to any zemindaries.

991. Has the Government found it necessary to enter into any arrangements with those individuals, in order to satisfy them for any claims that they might make of the land which has been taken for the use of the Government?—Yes; the zemindars receive an allowance on account of the land taken, and also in some cases a compensation for the loss of the manufacture as it existed before the monopoly was established in 1780-81, or rather I should say a remission on account of the resumption of an asset that formerly belonged to the land revenue. In ancient times certain zemindars collected a revenue from the manufacturers within their zemindaries, and paid a certain sum on this account to the land-revenue office along with the ordinary land rent. When the Government took the manufacture into its own hands, the amount so paid was still kept upon the revenue books, as a part of the government jumma or demand; and the zemindar having lost the asset, became entitled of course to a corresponding remission, the amount remitted being charged to the salt department.

992. Do the Company contract with the agents for the manufacture of salt, or do they strictly manufacture it on their own account?—There are no contracts with the agents, who are strictly government officers, accounting for everything they receive. But there are heads of what are called kallaries, men having more or fewer labourers under them, who contract for the delivery of salt.

993. Do you recollect the contract price at any one of the kallaries?—I think in Cuttack, where salt is cheapest, the contract price is 40 rupees per 100 maunds.

994. Suppose that, when the Company agree to give 40 rupees per 100 maunds to the individual contracting with them, he should be able to obtain the salt at a cost of 30 rupees per 100 maunds, would the profit go entirely to the contractor, or would any other person share it with him?—It ought to go entirely to the contractor; but whether it would go to him without deduction is, I think, very doubtful.

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995. Is there much money made by those contractors?—I believe not; their contracts in general are not to a very large amount.

996. Are there many contractors?—I believe they are numerous.

997. Do the agents settle with them?—The agents are understood to settle with them individually.

998. In no cases are the agents contractors themselves?—Never; but the native officers are supposed to make a good deal of money illicitly.

999. Do you believe that much is smuggled into consumption before it is removed into the Company's golahs?—I believe a good deal is smuggled for the supply of the districts immediately adjoining the manufactories.

1000. Did you ever hear any estimate made of the probable quantity?—No estimate that I thought worthy of attention. I believe that smuggling on a large scale has been very nearly put a stop to. I say so chiefly because the amount of seizures has been very small of late.

1001. What do you believe to be the actual price of salt per maund when it is delivered and deposited into the Company's golahs, including all the charges to which it is liable?—The average is about 100 rupees for 100 maunds, or nearly a rupee a maund. I ought to observe that the salt of Cuttack is manufactured chiefly for export to the warehouses at Calcutta; and in speaking of the average price, I assume that the Cuttack salt has the charge for export from the province to Calcutta added to the cost of production. At the other agencies the merchants receive the salt from the warehouses subordinate to the several agencies; in Cuttack too there is a considerable retail sale for the consumption of the province, and I should exclude from calculation all salt so appropriated, though the quantity is not such as materially to affect the general average.

1002. Is the profit upon the salt from Cuttack as large as upon the Company's sales at Calcutta?—No; the price of the salt retailed in the province is much more moderate than that of the salt sold at the Calcutta sales.

1003. Is the salt deposited in the Company's warehouses in the state in which it is ultimately delivered to the consumer, or does it subsequently undergo any process of refining?—I fear it generally undergoes a process the reverse of refinement, being considerably adulterated in the hands of the different dealers.

1004. What charges are made for warehouse-rent, and by whom are they paid?—I am not aware of any charge for warehouse-rent at the agencies. The warehouses there are built by the Company, being constructed chiefly of mats. Those in the neighbourhood of Calcutta are of masonry, and are expensive; and there the merchants pay a rent (the amount I do not recollect) if they fail to clear their salt within a certain time.

1005. How often do the government sales take place?—The government sales have of late years taken place once a month; formerly there used to be only four sales a year, but the number of sales has been gradually increased.

1006. What is the smallest quantity that the Company puts up to sale?—I think that 500 maunds at present constitute a lot at the Calcutta sales.

1007. What is the average price at which the Company sells that quantity of salt?—That depends upon the quantity of salt brought to sale, the competition of the merchants, and the kind of salt sold. Taking the average of the last 10 years, I imagine

27 February 1832.

Holt Mackenzie, Esq.

I imagine that the price will be found to be upwards of three rupees and a half per maund. Of late years the price has risen considerably.

1008. Is the money contracted to be paid by the purchasers always realized, or does it ever happen that the Company are forced to make allowances on any account?—It has generally been realized. I only remember now one occasion where the merchants were not able to make good their purchases.

1009. Was that in consequence of the high price that took place in 1822?—Yes; and on that occasion the merchants were allowed to relinquish their bargain, paying a penalty.

1010. What credit does the Company give?—I think three months; but it is stated in the printed conditions of sale.

1011. Are Europeans prohibited from being purchasers at the Company's sales? —They are now allowed to purchase. For a considerable time they were prevented from purchasing under the Act of Parliament, which makes it necessary for them to have especial leave from Government.

1012. What number of merchants are in the habit of dealing with the Company for salt?—I am not able to state the fact, but they are very numerous I think.

1013. What is the object of limiting the sales to such large quantities; why has it not been thought desirable to sell salt in smaller parcels?—I imagine chiefly for the convenience of not having a multitude of persons to collect from; and the sale of salt being in fact an hereditary trade, the present system admits perhaps as many almost as would enter into the trade under any circumstances, or at least a sufficient number to allow a complete competition, unless the Government were to go down to the retail.

1014. Can you form any estimate of the difference of price which is paid by the consumer and that which is obtained by the Company, setting aside the consideration of expense of transport to the interior, and imagining the question to apply to the consumption in the neighbourhood of Calcutta?—It is exceedingly difficult to form any very clear opinion upon that subject, for this reason chiefly, that the salt sold to the public I believe to be much inferior to the salt sold by the Company, the former containing a considerable quantity of sand or earth. The Board of Customs, Salt, and Opium, furnish periodical returns of the retail price, which would enable the Committee to form a better opinion upon that point than I can immediately suggest; but still there must remain this insuperable difficulty in forming an average statement, that the salt is adulterated in proportion as it departs from the Company's warehouses.

1015. Are you of opinion that if salt of a better quality could be supplied at a lower price to the ultimate consumer, a very considerable increase might take place in the quantity consumed throughout the country?—That is my own opinion; but it is an opinion founded chiefly upon general reasons. I have indeed tried repeatedly to get natives to say that they would consume more if it were cheaper, and they have always denied it; I have, however, no doubt at all upon the point; I believe that many of the natives are very partially supplied with salt, and that what they do consume has much foreign matter mixed with it. But I am aware that the opposite opinion is held by the salt board, and still more by many natives, who are far better judges than we can be.

1016. Do

1016. Do you know anything of the circumstances under which salt is manufactured upon the coast of Coromandel, and the cost at which it is or might be imported into Calcutta?—It is manufactured, I believe, upon the coast of Coromandel as in Bengal, on account of Government, but I imagine without the same necessity of advances; being produced by solar evaporation, and at a comparatively low price. And it is sold by the Madras government at a fixed price, not by auction, and without any limit as to the quantity to be sold.

1017. Does the Bengal government contract with the government of Madras for the delivery of the salt?—The Madras government sell it to individuals at a price that yields them a small profit, and the purchasers export it to Calcutta, and deliver it to the Bengal government at 72 rupees per 100 maunds, which sum is supposed to afford a sufficient compensation for freight and other charges. It was formerly a great object on the coast to have a return cargo from Madras to Bengal, because the former was dependent upon the latter for a large supply of grain; that necessity has, I imagine, in a great measure ceased.

1018. What is the difference of quality of those two salts; which sells at the higher price in Calcutta?—The Bengal salt usually sells at the highest price; and the price of the different sorts depends upon the quantity brought to sale. When any large quantity of coast salt has been brought to sale the relative price has fallen.

1019. Is that the reason why the Government have limited the quantity?—That is one reason. It has been commonly alleged that the coast salt is prized by particular classes; and that when their wants are supplied, its value in the estimation of the rest of the population is not such as to allow the Government to act upon the principle simply of supplying the market with that which came cheapest. I believe, however, that the main cause of the low price of coast salt is that it frequently contains a great deal of sand, even when apparently pure, and it used to be much less pure than now.

1020. Is not one or the other of them said to be very bitter?—I am not aware that either of them is said to be peculiarly bitter. The Bengal salt is not, I believe, liked by natives of the Western Provinces; but natives of Bengal complain of the bitterness of the salt of that country. It is probably a matter of habit, but they seem to be rather fanciful in their taste as to salt.

1021. In the changes of system that may possibly take place in consequence of the termination of the Company's charter, if it should be found desirable to change the system upon which the salt duty is now levied, which appears to the Committee to be rested upon a commercial basis, and to place it upon a more strictly financial foundation, do you think that a tax could be levied upon salt under regulations somewhat similar to those that prevailed in this country at the time that a very large duty was collected upon salt; do you think that the government power, being what it might, taking possession of the salt and selling it on its own account, private merchants might be permitted to deal in it, provided only that all the salt that was manufactured and imported should be carried into warehouses belonging to the Government, and not removed from those warehouses until either a duty was actually paid upon it, or a security given for the ultimate payment of a duty, to be charged according to the quantities received?—I have no doubt that a large duty might be collected

27 February 1832.

Holt Mackenzie, Esq.

collected in that way; but I should not think so large a revenue could be realized as we now get.

1022. It appears from the answers you have given that the advantage you now get barely exceeds 250 per cent., whereas in England it yields about 30 per cent.?—I am aware of that; but I still doubt whether our present revenue could be levied upon such a scheme in Bengal.

1023. In what way do you think the difficulty would arise?—I think chiefly from the character of the people and the inaccessible nature of the country. It would be exceedingly difficult to control the manufacture without a very large establishment.

1024. Would not the establishment, which is now sufficiently large, and which is now found effectual in preventing smuggling, be equally efficient to prevent smuggling under the circumstances that the question suggested, supposing the system which prevailed in England and Scotland were adopted, that no person should be allowed to make salt but persons whose premises were regularly pointed out and ascertained and watched?—I confess I doubt whether that system would answer. A large establishment would be a large expense, in addition to the cost of manufacture. It would involve much exaction and annoyance; and I believe that the circumstance of the manufacturers being, in fact, in the immediate employment of Government, operates as a great check. As far, therefore, as I can judge, without having all the details of the plan to examine, it seems to me that the attempt to collect excise from such a number of people, scattered through the country as they would be, without the control which our agents exercise, would probably fail.

1025. The mode in which it was suggested by the question that the duty should be charged and levied, was not so much by excise levy as by securing the delivery of the salt into government bonded warehouses, and requiring a payment when the sale took place; that arrangement differs somewhat from a charge and levy of an excise duty, according to the more general mode in which those duties are levied?—I should think that if the manufacture was left sufficiently free to make it profitable for individuals to undertake it, the smuggling would very much increase. It seems to me that smuggling is very much prevented by the plan of exclusive manufacture now pursued, accompanied as it is by a system of rigid account and superintendence over the whole process. Even if we suppose that such a system of minute control over the manufacturer could, on the plan of free trade, be effectually enforced against individuals by an establishment equal to that now employed in conducting the manufacture and in watching the produce, I should apprehend that individuals, if subjected to the checks to which the government manufacturers are now subject, would find it impossible profitably to carry on the trade without a great enhancement of price, or, what would be the same thing or worse for the revenue, without having recourse to smuggling. But I acknowledge that the objections I have stated are not so decisive as to dissuade from making the attempt of permitting a free manufacture, on a limited scale in the first instance; and if we could get the salt supplied without a government manufacture, it would, I conceive, be an improvement.

1026. You are probably aware that a superintendence similar to that which you now describe as existing in Bengal existed in England under regulations of the excise,

excise, in the completest manner, and that the premises making salt were watched by the excise officers, who had the charge of factories, and had keys of all the factories in which the salt was locked up. You are probably aware also, that great frauds were not supposed to exist upon the revenue in those factories. Do you think that similar superintendence could be established in Bengal?—I am afraid not without giving occasion to great frauds; and in using the word excise, the idea in my mind was that it would be necessary to have a system of checks such as has been described; and in that case, adverting to local circumstances, I very much fear, from the nature of the country, the agency we have to employ, the number of manufactures, and the scattered position of the works, that such a system would not be successful. If the country were perfectly open and easily accessible, if large works were established, and especially if there were any considerable number of people to undertake and superintend the manufacture at all approaching to those whom I suppose to have been engaged in the occupation at home, it would be very feasible.

1027. Would there be any difficulty in providing for the molungees by settling them upon the uncultivated land, in case the trade were to take any great change, and the supply to be obtained over sea?—I apprehend, in some of the districts where the molungees are most numerous, they would suffer considerably from the abolition of the manufacture. In Hidgelee and Tumlook, for instance, I should suppose that the loss of the employment and of the capital distributed among them, would be seriously felt. In Cuttack, I imagine there must be great room for an extension of agriculture; and in the twenty-four Pergunnahs, and in Jessore, I believe the demand for labour, what from the vicinity of Calcutta, and what from the quantity of land remaining to be reclaimed, is so great, that I should not apprehend any serious distress from the discontinuance of the manufacture, though there doubtless would be some temporary distress.

1028. Is not the molungee a labourer in every instance?—He is either a labourer or cultivates his own field, as indeed is very generally the case with other classes of persons in Bengal, so that they are not entirely dependent on the manufacture. Thus when the demand for the Dacca muslins ceased, there was much less distress than might have been apprehended. But of course, if the molungees lose their employment during a part of the year when they were not engaged in agricultural pursuits, their situation must be much deteriorated, unless they find an increased demand for labour in the cultivation of new lands, or new modes of employment open to them.

1029. Suppose that an uniform system of excise could be established over the three presidencies, and that salt made on the coast of Coromandel was warehoused, and in order to prevent the possibility of smuggling, that the duty should be collected from the salt when removed to the warehouses in the Madras presidency; if the duty was paid to the account in that presidency, and not to Bengal, would that make any difference to the Company? Are the accounts between the three presidencies so kept that an adjustment can take place between them, or they are entirely distinct and separate, so that Bengal could not afford to lose the revenue upon the salt consumed within it?—I should consider it rather an advantage to add to the revenue of Madras, because that presidency has hitherto not been able to pay for itself.

27 February 1832.

Holt Mackenzie, Esq.

itself. The accounts are so kept, that the most accurate adjustment may be made of the most minute particulars

1030. If under the idea that an excise duty could be levied equal to the present amount of profit upon salt, which we suppose to be about 250 per cent., salt could be imported from England at so low a rate as to come fairly into competition both with salt from the Coromandel coast, and with salt manufactured in Bengal, would there in your opinion be any objection to levying a customs' duty precisely to the same amount and under the same regulations as the home-made salt, and permitting it to go into consumption under precisely the same regulations?—Supposing a free manufacture and sale, subject to an excise, as is suggested, to be successfully established, I do not think there would be any objection to the import of English salt, as proposed; on the contrary, I think it would be very desirable to encourage it. But it seems very difficult to have partly a free sale of private salt, and partly a restricted sale of salt belonging to Government.

1031. Are you aware that the regulations now upon which salt can be imported from Great Britain, are such as to render commerce upon that article impossible?—Very nearly so, and the quantity imported has been very small in consequence of the heavy duty.

1032. In the case of the manufacture of salt being carried on in the Sunderbunds by private manufacturers, the Committee conclude that there would be no difficulty in the molungees being employed in that manufacture as they are at present by the Government?—I should not apprehend any difficulty; though the change must probably take place gradually, because there would be a considerable capital to be employed.

1033. Can you state the reason why it has been thought necessary to establish Regulations of a prohibitory nature against the import of salt from this country?—The notion was that there should be such a duty as to ensure the purchasers at the Calcutta sales against any unforeseen competition. They buy under a pledge that a certain quantity of salt, and no more, shall be brought to sale; and it did not seem practicable to combine a free import and sale with public sales conducted under this restriction. When the Government was supposed to be rich, it was suggested that a given sum should be fixed as the maximum to be taken on the salt supplied to the market, and that the Government, which has always a large stock on hand, should deliver the salt to any individual willing to pay that maximum price. But the effect anticipated was, that the price of salt at the Company's sales must have been kept below the maximum so fixed; and a similar effect must have probably resulted from the admission of salt on payment of a custom duty equal merely to the average of the net profit on the sales. And I believe that in general the officers employed in the department were adverse to the attempt of combining the two things, thinking that the free sales could not be partially allowed without a great loss on the salt sold at public sales.

1034. If the Company continue to trade in salt under such regulations as they now do, do you suppose that any private merchant could venture to import salt on his own account, and to trade there; would he not be prevented by the Government from trading?—I think there would be no difficulty experienced by the private merchant, if the duty were sufficiently reduced upon import into Calcutta; entry into

27 February 1832.

Holt Mackenzie, Esq.

into that port would be free of any obstruction beyond what is necessary to secure the duty. The posts at which the article would be liable to search and examination in its way into the interior are few, the line lying a short distance to the north of Calcutta; and the whole of the interior of Bengal and Behar is open. I do not think, therefore, that the traders need encounter the slightest difficulty; but the amount of duty necessary to secure the present revenue is a serious consideration.

1035. Supposing an amount of duty equal to the present profit could be taken, and assuming for the present consideration that the amount of duty should be three rupees per maund, and that that could be securely and accurately collected upon all salt, whether imported from over sea or manufactured in the country, and supposing that the trade in salt was left to be conducted by private merchants, and that none could ever get into their hands but that upon which duty was charged; do you think under such circumstances that a larger amount of revenue or profit would be received by the government authority, be it what it might, than what is derived by the present system?—I have not the slightest doubt that such a system, if practicable, would be a great improvement on the present.

Jovis, 8° die Martii, 1832.

The Hon. JOHN STUART WORTLEY, in the Chair.

LANGFORD KENNEDY Esq. called in and further examined.

8 March 1832.

Langford Kennedy, Esq.

1036. SINCE you were before the Committee last have you turned your mind at all to the suggestion which was made with respect to opium, of a change from a monopoly system to that of a duty under an excise?—I have considered the matter, and given as much attention to it as I could, and confess that I am unable to suggest any other system which I think could be advantageously substituted for the present; that is, one to which serious objections might not be urged.

1037. Do you not conceive that there are objections to the existing system?—I am not aware of any material objections to the existing system.

1038. Is there not considerable vexation in the enforcement of the monopoly?—Not that I am aware of.

1039. A tolerably close superintendence of the cultivation is necessary in order to secure that monopoly, is it not?—Undoubtedly; but it has been so long established, and has worked for so many years (nearly 40), that it goes on with great regularity, and with no more difficulty than is experienced in the collection of the land revenue. The system is now established on a good footing, and the precautions adopted and vigilance of the government officers so great, that very little difficulty is experienced in collecting the opium.

1040. Do you conceive the number of hands through whom the advances pass, in the cultivation of opium, to create difficulties, and to make the production of opium

8 March 1832.

Langford Kennedy, Esq.

opium more difficult than it would be if it was cultivated under a more direct management?—I am not aware of any inconveniences resulting from the present system of making advances. Complaints are very rare on the part of the cultivators of the soil with regard to their dealings with these intermediate agents.

1041. With respect to the enforcement of the monopoly, is it not the fact that the Company's control of the monopoly has been much infringed by extraneous circumstances?—It has been very materially interfered with by the produce of the drug in other countries, so far as by competition in the eastern markets depreciating the value of the opium grown in the Company's provinces.

1042. What means have the Company of guarding themselves against an infraction of this description?—I am not aware of any. The growth of opium in Malwa seems to be rapidly increasing, and to be carried on at present to a very great extent. I am not aware of any power that we have to stop or check it; and the facility which is afforded of exporting it from the Malabar coast renders any attempt to that effect on our part, so long as the ports on that coast continue in the hands of other powers, abortive.

1043. Has not the Company made efforts to check that by treaties with the powers under which this opium is cultivated?—Those treaties have been, I believe, done away.

1044. Have they failed in their object?—I cannot speak as to that point with any degree of precision, but I conclude it was deemed expedient to do so.

1045. Supposing that it were practicable to substitute a duty upon the cultivation of opium in place of the government agency of monopoly, would it not be considerably more exempt from the evils attendant upon the foreign cultivation of opium, from leaving the cultivation to go on extending, and allowing it to accommodate itself to the prices of the market?—The great difficulty that occurs to me as standing in the way of levying a duty upon opium, commensurate with the revenue at present derived from that source, consists in the temptation that so high a duty as must necessarily be imposed would afford to smuggling, added to the great facilities which the nature of the article, the localities of the country, and the dishonesty of our excise officers, present to its successful accomplishment.

1046. Do you see any very strong reason why there should be any greater temptation to smuggling under the system of duty, than under the system of monopoly?—I assume in my argument on this head, that in substituting another system for the present one, it is intended that a revenue adequate to that which is at present drawn from the monopoly should continue to be derived; and if so, the duty must necessarily be so heavy that the great and primary object of the planter must be to smuggle. Under the present system the Company suffer no persons but themselves to grow the poppy; and it is a far easier task to prohibit the cultivation than to ascertain the quantity of opium which under the change contemplated would be produced.

1047. That is, upon the assumption that the cultivation of the plant would be more extensive than it is at present?—Of course. I presume that if permission were given to all persons whom it might please to cultivate the poppy, it would be optional with them to cultivate it in any part of the country they might think proper; and I think if that permission were given, and the cultivation (as I think it

it would be) were to be extended to Bengal, the high character which the Company's opium has hitherto maintained in the China market would be vastly impaired, and opium of a very inferior quality be produced; because I know from experience, in the province of Bengal, that neither the soil nor climate of that country is adapted to the growth of the poppy, and that the opium produced in that province is of a very inferior quality.

1048. Is not the supply of opium almost entirely confined to Behar and Benares?—At present it is. The Company had an agency in the district of Rungpore in Bengal, to the charge of which I was deputed by Government some years ago, on a special commission, and resided there for a year in the charge of their opium concerns.

1049. Why should the substitution of an excise duty interfere with the quality of the opium?—I do not mean to say that the substitution of an excise duty would interfere with the quality of the drug; but if people were to be allowed to grow it where they pleased, you would have as great a variety in the market in point of quality as there is in indigo or any other article of commerce.

1050. Do you conceive that there would be any material evil from the variety of quality that might arise by the introduction of opium into Bengal, if you had the same or an increased supply from those parts of the country in which it was superior?—I think the variety that would be sent to China would injure the general character of the Behar opium in the estimation of the Chinese, who have always hitherto been accustomed to receive it in a pure and uniform state.

1051. Is it not more probable that a distinction would be still kept up between the Bengal, and the Behar and the Benares opium, precisely as the distinction is kept up between the Malwa, and the Behar and Benares opium?—I apprehend that the quality of the Malwa opium is more uniform, which may be owing to greater uniformity of soil and climate; the difference in this respect between the provinces of Bengal and those of Behar and Benares is very great, and as I have already said, I should apprehend injury from the variety to which they have not been accustomed in the eastern markets.

1052. In point of fact, should you not conceive from your estimate of the quality of the soil in Bengal, that the quality of the Malwa opium is nearer that of the Behar and Benares than the Bengal opium would be?—Most decidedly: the Bengal opium I consider to be of a very inferior quality, and the Malwa quite the reverse.

1053. Would not, therefore, the distinction between the Bengal and the Behar and Benares opium be more easily distinguished, than between the Behar and Benares opium and the Malwa opium?—I think the Behar and Benares opium is considered the best; but the Chinese can, I believe, readily tell the difference.

1054. The distinction between the Behar and Benares opium and the Malwa is decidedly recognized?—Decidedly, I believe.

1055. If, therefore, the difference between the Malwa and the Behar and Benares opium is so easily distinguished, would not the Bengal be even more likely to be distinguished?—It certainly would; but I question very much whether, under the system of throwing the trade open, the opium, even in Behar and Benares, would be of as good or anything like as good a quality as that produced now under the monopoly,

8 March 1832.

Longford Kennedy, Esq.

monopoly, or whether in fact it would be much better than the Bengal opium, as I have described it.

1056. Do you conceive that the superintendence of the Company's agents is necessary for the production of opium?—Certainly not; but I do not think that better opium could be produced under any other system than under that now in force in the provinces of Behar and Benares.

1057. Is it a fact or not that the Behar and Benares opium bears a higher price than the Malwa opium in the China market?—I cannot speak positively as to this; but I believe it has occasionally, though rarely, fetched higher prices. Generally speaking, however, the Chinese, I believe, prefer the Behar and Benares opium, which I apprehend to be mainly owing to its uniformly pure quality, of which they have had the experience of nearly half a century.

1058. Has not the Malwa gained upon the Behar and Benares of late years?—Very much.

1059. Would not that seem to prove that the growth of opium may be carried on with success without the superintendence of the Company?—It certainly would. I do not by any means pretend to say but that equally good opium might be produced by private speculators as by the Company, but I doubt very much whether in the aggregate so uniformly good a quality would be produced; and of this I feel assured, that if the high character which the Behar opium has hitherto maintained is once destroyed, it will never be regained in the estimation of the consumers.

1060. Assuming that the Company could secure its revenue, and at the same time could withdraw its monopoly from the provinces of Behar and Benares, do you see any conclusive reason why the natives of those provinces should not produce opium with as much success as the natives of Malwa?—That they could do it there can be no doubt, else how is it done at present? but whether they would is another thing; that is to say, whether they would bring it to the market unadulterated. I have never yet seen natives compete with European planters in the cultivation of indigo, or pursue the occupation on their own account; and I am of opinion that if the monopoly were removed, this pursuit would, like indigo, devolve into the hands of Europeans.

1061. Would not the same motives apply in the one case as in the other in Behar and Benares, as they do at present?—I know very little of Malwa, and therefore cannot say positively.

1062. Should you be prepared to say that there is anything in the character of the people, or any quality of the climate or the soil of the provinces of Behar and Benares, which would place them below the province of Malwa in their capabilities of producing opium?—I am not aware that there is; but I speak from knowledge of one country and almost total ignorance of the other.

1063. A remarkable difference between the opium and the indigo, in a practical point of view, is that we have an instance of the native production of opium in Malwa?—I am aware of that. The indigo in the Company's provinces has devolved into the hands of Europeans entirely, at least in the part of the country where I was, and where it is carried on to a great extent. I hardly know an instance of a native having an indigo factory; and I apprehend that if the cultivation of opium was to be thrown open, Europeans would in like manner be the principal cultivators of it.

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What the character of the natives of Malwa may be I know not, but in Behar they seldom adopt other pursuits than were followed by their progenitors.

1064. Under the present system is there not a very extensive establishment for the growth of opium in the Company's territories?—Our establishment is not very large; I think it a very moderate establishment.

1065. Comprising the native agents, are there not many persons engaged in it? —Not so many as might be supposed; and the salary of those agents is so very trifling, as to render them little or no burthen to the State.

1066. Do you conceive that their pay is sufficient to secure the effective discharge of the duties assigned them?—I do not think it is sufficient; and no native qualified for office would, I conceive, serve in any department of their service solely for the pay given by the Company; they have other objects in view in accepting office, and have means of making money which it is utterly impossible for us in all cases to prevent.

1067. Is the establishment sufficient to enable the authorities to keep a very strict watch over the growth of opium in those provinces?—I think it is. I am no advocate for an unnecessary multiplication of native functionaries.

1068. Supposing that it were thought advisable and found practicable to impose a duty on the cultivation, instead of retaining it under the present system; do you conceive that that same agency would be sufficient, assuming that the cultivation was not extended in the first instance, to keep a guard upon the crops?—Certainly not; it is a very different thing to collect opium for which the government officers make direct advances, and where they have the business entirely in their own hands, and to prevent speculators, who might be permitted to cultivate on their own account, from embezzling the opium which they might grow, and thus evading the duty. I apprehend, as I have already said, that the temptation to smuggling, as well as the facility, would be so great, that the speculators, whoever they might be, whether native or European, would collude with the officers appointed by Government; and we could not, by any pay we could afford to give those officers, make them honest under the temptation that the speculators would hold out to them, in the shape of remuneration for betrayal of their duty and conniving at their dishonest courses.

1069 Is the price which is given by the Company to the cultivators very much less than that which might be obtained by them if they sold to others?—I have no doubt but that if the present restrictions were removed, a price corresponding with that at which the opium could be exported with advantage from India would be obtained by the cultivators.

1070. Under those circumstances, there must at this present moment be a considerable temptation, proportionable to the amount of the difference of the price which is obtained by the Company and the amount which is given to the cultivators?—I have already stated, in my former evidence, that we have no reason to believe that any great quantity is smuggled under the present system: the difficulty of carrying it off from Behar and Benares just now in any large quantity is very great, and I do not believe, as far as I have had opportunity of observing, that there are or ever have been any great speculators in opium in the smuggling way. I never knew an instance of an European being concerned in it; but this I attribute

more

8 March 1832.

Langford Kennedy, Esq.

more to their fear of the Government than to their honesty. The case would be very different under the contemplated change.

1071. Is not the effect of the present system of monopoly in fact that of a duty, the duty being the difference between the price obtained by the Company and the sum given to the cultivator?—Yes, I conceive it is.

1072. Does not that create the same motives to smuggling which a duty would create, or even a greater?—Certainly it does. The temptation to smuggle is at present undoubtedly very great; but I must repeat, that we are not aware of any instances that have occurred of people making a systematic trade of smuggling opium for the purpose of exportation; both Europeans and natives are afraid to interfere with it, I believe.

1073. Then the motives being the same in both cases, what is the difference of the control and superintendence employed to check smuggling, which leads you to think there would be more under the one than the other?—If the monopoly were to be done away, you would have speculators and planters without end embarking in the cultivation of opium all over the country, and of course it would be their interest and object to devise, and they would do it, means whereby they might evade the heavy duties of Government, which I conceive it would be next to impossible to counteract.

1074. Would the motives of the cultivators be more likely to induce them to smuggle than the motives which induce the present cultivators to smuggle?—I think you would have a greater if not an endless number of difficulties next to insuperable to contend with, under any system that might be substituted for the present.

1075. In those parts of the provinces of Benares with which you were concerned, are the lands upon which opium is cultivated very much scattered?—The opium cultivation is very much scattered, that is, it is spread over a great extent of country, is only grown upon the best description of land, and confined principally to the immediate vicinity of villages, where the cultivators have the facility of irrigation from wells, and where the women and children of a family can attend to the cultivation without its materially interfering with their domestic duties; it requires constant attention more than great labour.

1076. Is it found that there is very great difficulty in keeping a strict superintendence over those scattered portions of land, which must be mixed with other species of cultivation?—From the circumstance of the cultivation being confined to the immediate vicinity of the villages, and not at a distance, as is very rarely the case, the officers to whom I alluded the other day (the mattoos), who have an interest in securing the produce for Government, have an opportunity of superintending the cultivation, and seeing that the produce is secured to Government. In addition to these men, we have chuprassies employed for the same purpose; and over all there is the gomastah, who is constantly moving about his district.

1077. You say that it is generally the case, that the opium cultivation is immediately in the vicinity of villages?—Generally immediately round the houses, and on lands which are most highly manured and of the richest quality.

1078. Do you suppose that there would be any change in that respect if the monopoly were done away?—A change has taken place within the last eight or ten years; the cultivation has extended very considerably within that time. In the district

8 March 1832.

Langford Kennedy, Esq.

district where I was, I doubled the cultivation within that period, and it has spread a little further from the villages than it did; but in many of these cases I was obliged, in order to effect my purpose, to dig wells at the expense of Government, for the purpose of irrigating the lands.

1079. But the general custom is to keep the cultivation as near the villages as is practicable?—Certainly; I should say four-fifths of the cultivation were immediately round the villages.

1080. Is the season of the year at which the crop comes to maturity tolerably certain?—No, it is the most uncertain of the whole year; it is the time when the north-westers and hail-storms are most prevalent, that is in the months of January, February, and March.

1081. Between what limits does the period of the maturity of the crop vary?—I should say from the middle of January till near the end of March. The plant begins in January to flower, and towards the latter end of March the opium is all extracted from the poppy; but in that intermediate time it is in a most precarious state, owing to the great uncertainty of the weather, no crop being more liable to injury than the poppy, from its long slender stalk and comparatively heavy head.

1082. You conceive that those months are the most precarious seasons for the result of the crops?—Unquestionably.

1083. Under those circumstances, would it be easy to assess a duty upon the standing crop shortly before its arriving to maturity?—I should think it impossible, owing to the circumstances I have stated. I have seen the finest crops on the ground, promising the most abundant produce, the country in fact covered like a sheet with the white flowers of the poppies, totally destroyed in the course of less than an hour by a hail storm, rendering it a matter of difficulty to tell what cultivation had been on the ground. But independently of hail-storms, much depends upon the state of the weather in other respects, during the period for extracting the drug from the poppy, which generally lasts six weeks; for instance, in an easterly wind the drug will not exude fluently from the poppy-head, and when it does, it is quite liquid, and much is lost in consequence of its falling to the ground; heavy dews too are required for this purpose: the only wind in which we can extract it properly is a westerly wind, when the juice exudes fluently and thick enough to prevent its dropping off the head. The season in fact has so much to do with the produce in point of quantity as well as quality, that I conceive it would be impossible to accomplish the object contemplated by the question.

1084. Under those circumstances are the government advances lost?—They are never altogether lost; partial remissions are made occasionally on the occurrence of such a calamity, but generally the cultivators contrive to make up for the loss in the subsequent seasons. I have never known remissions to any very great extent made; indeed it perhaps does not happen once in three years that so extensive a calamity as I have described befals the crop; but scarcely a season passes without partial injury from the weather.

1085. Supposing that in the month of January the government officers were to examine and to measure the fields which were under poppy cultivation, and to assess a duty according to their measurement; do you conceive that there would be, in consequence of the vicissitudes to which the crop was exposed in the

months

5 March 1832.

Tho. Ford Kennedy, Esq.

months of February and March, any greater difficulty in levying the duty, and in making remissions upon that duty, than there is in making remissions after advances to the cultivators, under the monopoly system?—The great difficulty I conceive would be to have an establishment in which we could place confidence, where there was another party concerned in the cultivation besides the Government, with opposite interests; these matters are much more easily managed where we have no competitor in the field than if we had one. It would be the interest of the planter, whoever he might be, to grow his plant as cheap and to pay as little duty as possible; and as I have already said, what I question very much is, whether we could find an establishment honest enough to be trusted, for any pay we could afford to give, to fix and collect this duty.

1086. In order to secure to the Company the returns from the cultivation after it has made its advances, it is necessary, under the present system, that the lands should be examined, and that there should be constant control over the cultivator? —I have stated the process, in my last examination, by which we ascertain the quantity likely to be produced; it is done by guess entirely; an experienced man can tell pretty nearly what a field of opium will produce, provided that no calamity befals it afterwards.

1087. The same facility that enables him now to collect the quantity, would enable him to assess a duty upon that quantity, would it not?—This assessment is made just before the period of extracting it commences.

1088. Supposing it were made at that period of the year which may be taken as the latest before the possible maturity of the crop, would you then be liable to the vicissitudes during the period at which that maturity might arise? -The great danger to which the crop is exposed is between the period when we estimate the average produce of the crop and the time of its final extraction, which is about six weeks.

1089. How is the period regulated at which you make the survey?—We know when the poppy is ripe from its appearance; that may be earlier or later, according as it may be a forward or a backward crop.

1090. It varies in different years?—Very slightly. The seasons in India are in general so regular, we can almost tell within a week or so the different stages of the crops.

1091. Supposing that survey to be made precisely after the same manner as it is at present, and the result of it was the assessment of a duty, and the cultivator became liable to the payment of the duty, without any control over the produce of that crop, and the cultivation were carried on under a permit; would there be an effectual control over the cultivator by this means?—No, I do not think there would. In the first place, we must be able to depend upon the honesty of the person who makes the estimate; it would of course be to the interest of the cultivator to have it made as low as possible, for according to that estimate would he have to pay duty: and secondly, I doubt much, where so heavy a duty was imposed, whether, with reference to the uncertainty of season, the cultivator would agree to such an arrangement.

1092. Under the present system the Government makes an advance to the cultivator when his crops are surveyed; is it not equally his interest to obtain as low an

an estimate of the produce as he can, in order to retain as much of the overplus as he can?—It is; but it is obvious that the cultivators now have nothing like the interest to lower this estimate that they would have under the change contemplated. Our own native officers are all interested in making the estimate as high as possible; they get a commission upon the receipts, and their continuance in office depends upon it. If the agent finds that they are slack in their duty, or has reason to suppose there is any collusion between them and the cultivators, they would be immediately removed from office; besides, as I have already said, under the present system little or no smuggling is attempted.

1093. Is there any reason why the same commission should not be given in the case of a duty being levied?—I think the planter, as I said before, would always be ready enough to pay them more than the Government possibly could or would, to secure their connivance in furtherance of his views and interests.

1094. The cultivator having received an advance from the Government, for which he is to return a certain amount of opium, according to the valuation of his crops, has he not equally an interest under the present system to make that estimate as low as possible, in order to retain as much of the opium as he can?—If he could dispose of his opium now to the same advantage as he would be able to do under the change contemplated, it would be his interest to keep the estimate down as low as possible; such a temptation, however, does not at present exist; besides, the estimate does not now depend entirely upon him, but upon the officers of Government.

1095. Would it not in the latter instance?—It would, certainly: but in the one case we have no cultivators or dealers in the article but the Company, whereas in the other we should have to deal with innumerable people whose interests and views would be directly opposed to those of the Company.

1096. Does not the cultivator now obtain an advance for the cultivation of an article to which the less he contributes the more advantage he obtains?—I have said before that I believe there is but little opium carried out of the province of Behar by smuggling, and the temptation therefore is not great just now for the cultivators to misappropriate the produce; they have not the same temptation for so doing now as they would have under a change of system such as is contemplated; in fact, the cultivators just now have no demand for the drug except from the Company; their honesty therefore is more the offspring of necessity than virtue.

1097. What is the usual price given by the Company for a seer of opium to the cultivator?—Three rupees eight annas a seer.

1098. What do you suppose is the price that a cultivator could obtain from any private purchaser, supposing he were allowed to go freely into the market?—That is a very difficult question to answer. The purchase price would be regulated, I should conceive, by that at which the purchaser could dispose of it. I have never known any persons concerned in the illicit traffic of opium, except a very low description of natives, who carry it about in small parcels; and I believe they chiefly smuggle for the internal consumption of the country, and not for foreign trade.

1099. Are you at all acquainted with the price which has been paid for opium at Malwa?—I have heard, but I cannot speak to it with any certainty.

8 March 1832

Larg ford Kennedy,
Esq.

1100. Supposing that the price to be obtained from a private purchaser be six rupees per seer, and that the price given by the Company be only three rupees eight annas, the difference between these two sums is a temptation to withhold that from the Company and to dispose of it elsewhere?—Certainly it is.

1101. In order to a make a case practicable, supposing a cultivator upon the frontiers of the Company's territory, where the smuggling might not be difficult, grows opium, for which the Company pays him a price of three rupees and eight annas per seer, and that on the other side of that frontier he can obtain six rupees; is not the difference between those two prices a temptation to him?—Certainly.

1102. Supposing, instead of being held under an advance, he were allowed to cultivate the opium freely, but that the Company were to impose a duty equal to that difference between three rupees eight annas and six rupees, would not the temptation to evade that duty be precisely equal to the temptation to obtain a higher price under the existing system?—Undoubtedly it would.

1103. Then in that case there could be no greater temptation to smuggling than there is at present?—This assumes that there are ready purchasers for the article, which at present do not exist; but the great difficulty which I conceive to be in the way is, to secure honesty from any establishment deputed to assess and collect this duty.

1104. There is great difficulty in securing the honesty of any parties who are to collect a government revenue of any description; but supposing the temptations are the same, whether that is collected in the shape of a monopoly or a duty, does it not leave the matter as it was before?—I have already endeavoured to explain that, under the present system, I believe a very small quantity is smuggled, which is, I believe, entirely kept for internal consumption.

1105. The smuggling being small under the present system, is it not fair to conclude that the temptation is not very great?—Certainly. I am not aware of any class of people having interfered with the Company's ryots; and although I believe, and stated before, that almost every ryot, or the great proportion of them, do keep back a small proportion of the drug which they grow, yet I do believe it is but a very small portion.

1106. Assuming that under a system of strict monopoly the effect would be what you suppose, and that such a system might be preferable, with regard to the revenue, to a system of duty; is not that argument done away in a great degree by the competition with the Malwa opium, the Malwa opium being smuggled to a considerable extent?—I know so very little about Malwa, and the opium concerns of that country, that I can scarcely form any comparison between the two countries; but the system of smuggling in Malwa has been carried, I have heard, to a very great extent; and I have heard that the opium has been carried to the sea-coast, escorted by an armed force, in open defiance of the government of those States.

1107. Are you aware that the Malwa opium has been smuggled to so great an extent as to deteriorate the price of the Company's opium?—I believe that it has. I can attribute the fall in the prices of the Behar opium to no other cause.

1108. Under such a system, do you not think that it would be better for the Company to fix a moderate duty on opium, by which they may be able to compete with

with the Malwa opium?—To put down the Malwa opium perhaps the means suggested would be the most advisable, though I much question the success of the measure.

1109. Does the Company's opium compete with the Malwa opium in the Chinese market?—In point of quality, I believe it does.

1110. And price?—And price.

1111. Is there not reason to suppose that by moderate duty it would also compete with the Malwa opium in the India market?—Perhaps it might.

1112. Has the opium revenue been increasing of late years?—The produce of opium has very much increased of late years, but the price has been gradually declining; it has increased since the cultivation management of each district has been placed in the hands of the collectors of the land revenue, which has occurred within the last eight or nine years, in consequence of which the cultivation has very much increased; in my own particular district I more than doubled it.

1113. By what means did you double it?—Partly from increase of price to the ryots, but chiefly from the influence which I possessed as collector of the land revenue with the landed proprietors in the district. I secured their good-will and assistance in furthering the object which I had in view, from being enabled in return to do them many acts of kindness and to oblige them in many ways, though strictly consistent with the regulations for the collection of the revenue.

1114. Would you say that the inducement which you were enabled to offer to them to extend the cultivation, was rather that of a kind amicable intercourse?—Certainly.

1115. From what you have told the Committee of the positions in which the cultivation of opium has generally taken place in the neighbourhood of villages, are the Committee to conclude that a great portion of that was previously occupied by some other species of cultivation, or was waste land?—Never on waste land, but very generally on land which had before been appropriated to tobacco and potatoes. Tobacco, potatoes, and opium are all crops which require the richest description of land.

1116. Should you say generally, in those provinces with which you were acquainted in that capacity, that the richest lands have been brought under cultivation, or that there is a great proportion of rich land uncultivated?—There was comparatively very little waste land in the district under my charge, but it is the most highly cultivated district in the Company's provinces.

1117. Then the extension of the cultivation of opium in those provinces which are best adapted to the purpose, must be by a substitution of that for other cultivation?—Yes: in my particular case the poppy, where I increased the cultivation, was substituted for other articles which had been grown from time immemorial perhaps. Increase of price, as I have already said, contributed materially to increase of cultivation.

1118. Was that increase rendered necessary in consequence of the competition of the Malwa opium?—I believe it was; in fact we could not have extended it without an increase of price. I made several reports upon the subject to Government, and I believe it was in consequence of my recommendation that Government consented

8 March 1832.

Langford Kennedy, Esq.

consented to the increase from two rupees eight annas per seer to three rupees eight annas.

1119. You have stated that the cultivation of opium was very much extended under your agency in those provinces?—Very much, not only by my agency, but likewise that of the other collectors.

1120. Was the establishment which you had under you increased in proportion to that increase of cultivation?—It was increased very much. We had establishments entertained in different convenient parts of the mofussil, called kooties, for the purpose of controlling the cultivation and collecting the drug: those establishments, as I increased the cultivation, I was obliged to increase in a proportionate ratio; for instance, before the increase commenced I had only four kooties, but when I left the district I think there were either seven or eight.

1121. So that the cultivation having increased very nearly to double the extent, the establishment was increased almost in the same proportion?—Yes.

1122. In your last evidence you stated, that the consumption of opium among the Mahomedans in the district of Rungpore was very considerable?—I did.

1123. Will you state what effect that had upon the price and production of the opium in that province?—It is necessary to premise my answer to this question by saying, that the district of Rungpore is in fact a Mussulman district; that is, the Mahomedans in number exceed the Hindoos to a very great extent; that these people, both men and women, and often children, almost universally use opium, and in large quantities; a habit similar to that of chewing tobacco in European countries. An agency had been established by the Government there some years ago, merely for the purpose of growing opium sufficient for the internal consumption of the country, which was retailed at a fixed price by the officers of government. This agency was placed under charge of the commercial resident at Rungpore; but although a very large surface of country was known to be in poppy cultivation in the district, the quantity of opium received by government was very small indeed, wholly disproportionate to the extent of cultivation. Instead of increasing annually, and with an increasing cultivation, the produce obtained by Government decreased; and no reason sufficiently satisfactory having been assigned to Government for this falling off, by the commercial resident, I was deputed from the province of Behar to Rungpore to make inquiries, with a view of ascertaining the cause, which I was not long in finding out: it was what I have already stated, viz. the general consumption of the drug by the inhabitants of that particular part of the country, and consequent great demand for the article; and temptation which was held forth to the cultivators, who had taken advances from the officers of Government, to dispose of their opium clandestinely; this temptation will be apparent when I state, that the price allowed by Government for the opium was, I think, two rupees four annas per seer, whilst that which they obtained from private individuals amounted to five times that amount, and probably more. The cultivators therefore very naturally sold their opium to the consumers on the spot, instead of delivering it to the government officers: and this system it was found impossible to prevent, for as fast as they extracted the opium from the head of the poppy, they buried it in their houses, and frequently fields, thus setting search and supervision on the part of the Government completely at defiance. All means of coercion sanctioned by

by the Regulations were had recourse to, but in vain: I found it so useless an attempt to persevere, that I recommended to the Government the abolition of the agency and the suppression of the growth of the plant; which recommendation the Government carried into effect, and since then the cultivation has been, though with great difficulty, altogether suppressed in that part of the country.

8 March 1832.

Laing for Kennedy Esq.

1124. It appears then that the only security which the Government has for the collection of its revenue under the present system, in the other parts of the territory, is that the drug is not in demand?—I think so; if the same cause unfortunately existed in Behar and Benares as at Rungpore, the same effect in my opinion would have infallibly resulted.

1125. That is to say, that where there is a sufficient temptation offered, smuggling would be carried on under the present system?—Yes, I think it certainly would. The quality of the opium grown in the part of the country of which I am speaking, and I believe it would be found generally to be the case if it were cultivated in Bengal, was very inferior indeed to that of Behar; so bad, that the Government would never allow it to be sold for the China market, though tolerably well adapted for the internal consumption of the country. Government would not endanger the character of their Behar and Benares opium, by allowing it to be carried to a foreign market.

Martis, 13° *die Martii*, 1832.

The Hon. JOHN STUART WORTLEY, in the Chair.

HOLT MACKENZIE Esq. called in and further examined.

13 March 1832.

Holt Mackenzie Esq.

1126. IN your previous evidence, a suggestion was mentioned to you of the possibility of the admission of foreign salt, under a customs duty, and the establishment of some government supervision upon the private manufacturer of salt within the territory of Bengal; do you conceive there would be any method of ascertaining the result of such an arrangement by a partial experiment?—I am afraid not; because one main condition of the government sales is, a pledge that the quantity thrown into the market within a time specified, shall be a specific number of maunds; and it appears therefore very difficult to combine the two systems of a free sale and of a supply so limited. But there can be no objection, I think (and the experiment might be immediately tried to a certain extent) to allowing a considerable export of salt from England, with the stipulation that it shall be received by the government of Bengal at a price (to be settled here) not exceeding that for which the coast salt is now received by that government, *minus* such profit as accrues to the government of Fort St. George on its sales for export to Bengal, provision being at the same time made to allow the importer of English salt the benefit of superior quality.

13 March 1832.

Holt Mackenzie, Esq.

1127. In order to make such an arrangement effectual, must there be an alteration of the duties in the Bengal territory?—It would not be necessary to alter the duty or any part of the law; the same arrangement might be followed as is now done when salt is imported from Madras into Bengal under licence, adding a stipulation, as was done when a contract was made with a gentleman in Calcutta (Mr. Prinsep), who undertook to manufacture salt by a new process, securing to the importer the excess of price which his salt, if of a superior quality, might fetch at the government sales. Thus if any merchants of Liverpool, for instance, were desirous of exporting salt to Bengal on the terms I have mentioned, the home authorities might grant licenses to do so, just as the Madras officers do in the case of exports from the coast of Coromandel; and I should imagine that they might immediately adopt the plan, if it were desired, to the extent of 100,000 maunds or so, without any risk of seriously interfering with the arrangements of the Bengal government, and this without the previous communication which would be necessary if it were done on a large scale. Whether it would be profitable to the merchants to export salt on the conditions I have mentioned, I cannot immediately say. The salt imported from the coast costs the Bengal government 72 rupees for the 100 maunds, which is about 20 rupees per ton, and there is a small profit to the Madras government, of which I do not immediately recollect the amount, and which would have to be deducted. If, however, the English salt be, as is said, very superior in quality, there might still be a prospect of profit sufficient to induce some of the merchants at Liverpool to export salt as dead weight; and there does not occur to me any objection to the Bengal government's receiving a considerable supply from England in that way, or by free manufacture in any part of India, if it be done without breaking in upon the system of exclusive sale. On the other hand. I think there is great difficulty in combining a partial free sale with a partial maintenance of the monopoly sales, since these seem to require a pledge to the purchasers that nothing beyond a certain quantity of salt shall be sold; and the free import and sale of a comparatively small quantity would be likely to affect the prices in the market largely. Consequently, without an entire change of system, which I do not see the means of effecting, excepting at the risk of a heavy loss of revenue, temporarily at least, all that can be done seems to be, to permit the import or manufacture subject to the condition of delivery to Government.

1128. It would appear that the import of foreign salt could hardly be tried effectively without a corresponding change of the monopoly system in the Company's territories?—A restricted import might be allowed, but there would be great difficulty in allowing the free import and sale, without getting rid entirely of the present system.

1129. It appears that one of the principal difficulties attending any change of the description just alluded to, is the probability of an increased temptation and facility of smuggling, under such a supervision as that of the Excise, or of an establishment similar to the Excise, compared with that of the monopoly; do you imagine it would be at all practicable, from the nature of the agency establishments, to submit a portion of them to such a system as that of the Excise, leaving the other still in the hand of the monopoly, for the purpose of experiment?—I think there would be no difficulty, in so far as concerns

13 March 1832.

Holt Mackenzie, Esq.

concerns the manufacture; reserving the sale to the Government. In places in which the country is clear and easily accessible, the plan might be tried, probably with advantage; indeed recently an experiment nearly similar was made, on a limited scale. On the salt lake immediately behind Calcutta, Mr. Prinsep, the gentleman I have already named, established works for the manufacture of salt by solar evaporation, being very confident that he could make it cheaper than the Company's agent; and though circumstances have, I believe, prevented his success, I see no reason why others may not try the same thing. But to any plan for partially permitting the sale of salt so made or imported by individuals, otherwise than by the Company, there occurs the objection, that the merchants who might buy at the public sales, if deprived of the pledge of a limited supply, and left open to competition of an uncertain extent, would probably, from the uncertainty in which they would be left, give considerably lower prices than they do under the present system, though protected by a duty equivalent to the net profit of the monopoly; and that we should thus lose, in the revenues derived from that portion of the consumption which might be supplied by our public sales, more than could possibly be compensated by the tax levied upon the free trade. In the same way, when it was proposed, with the view of preventing any inordinate rise in the price of salt in Bengal, to reserve the right of selling it by private sale, from the government warehouses, at a fixed maximum rate, the general impression of the Salt Board and of the persons they consulted was, that such a stipulation would throw the price at the public sales considerably below the sum so fixed: and in settling the duty on salt imported by sea at three rupees a maund, when the average net receipt was reckoned at about two-and-a-half, the reason of the measure was, that unless the protective duty was so high as to exclude foreign salt, or at least unless it was more than a mere equivalent of the net gain upon the monopoly salt, the sale prices would have fallen considerably below the then existing rate. The question of sale is thus to be distinguished from that of manufacture and import. If the latter be found advantageous without freedom of the former, a change to that extent might certainly be effected with little difficulty, the Government diminishing its own manufacture in proportion as it could draw supplies from England, or elsewhere; and if ultimately it should be found practicable to obtain a large proportion of the salt required in Bengal at such rates as would pay a fair freight, and yet be more advantageous than those of the local manufacture, a considerable step would be made towards the further change of a free sale, if such a change should be thought desirable.

1130. That view is taken upon the assumption that the abolition of the manufacture in Bengal would be an advantage gained; but the original suggestion upon the subject made in this Committee was, that a competition should be opened between the native manufacture of Bengal and the foreign salt, either of the coast or of Europe. In that case, the suppression of the manufacture in Bengal would depend entirely upon the success of that competition on the part of the foreign salt?—Certainly the home manufacture would only be suppressed in Bengal salt, if it got the foreign salt cheaper; reference being also had to quality.

1131. Supposing

13 March 1832.

Holt Mackenzie, Esq.

1131. Supposing it were found practicable to establish any such system as that of an excise, and that under that system the native manufacture were so improved as still to keep its hold on the Indian market in spite of the competition of foreign salt, would it not be an advantage to India that the supply should come from its own sources?—Yes, I think so; but on the whole, I should not attach a great importance to anything but cheapness and goodness of supply.

1132. Supposing that the manufacture were so improved that the salt were obtained cheaper and of equally good quality, or even better quality, within the territory of Bengal, would it not be of advantage that the supply should be obtained from that source?—It would certainly be so.

1133. Under those circumstances, the only means of ascertaining the relative qualifications of the two descriptions of salt for the Bengal market, would be throwing the import open, but at the same time permitting the manufacture to the full extent within the Bengal territories, upon some principle of free manufacture?—That would be the best plan, certainly, if it could be done without loss of revenue; but it strikes me that we might have a modified competition, attended with little or no risk.

1134. That would be a competition between the imported salt and the Government's?—First, we might have a competition as to the supply of the government warehouses, not of private against the public sales; encouragement being given to any improvement of quality, as was done in Mr. Prinsep's case. And afterwards private sales, to an ascertained extent, might be left free.

1135. Do you conceive that according to the engagements of the Company any arrangement, such as that with Mr. Prinsep, would be a breach of engagement?—No, certainly not; nor would even a free import be, I conceive, any positive breach of engagement.

1136. Government engage with the merchants who purchase the salt that there shall not be more than a certain quantity brought to sale within the year; in allowing a free import, such as you describe, they could not control the market within the territories; would not that be permitting an interference contrary to the engagement with these merchants?—I ought of course to have added the proviso that the change should not be made within the period to which the Government pledges itself by the sale advertisement; but that is confined to a single year.

1137. The immediate effect of that would be a reduction in the price offered by those merchants, would it not?—Yes; and I think it would be right to give them full warning of any such change being contemplated.

1138. So that the Government could hardly contemplate entering into such an experiment without an immediate loss?—No; and therefore it is that I should like to confine the competition, in the first instance at least, to the mere matter of production or supply for the public sales. It is of course an important object to see how far the expense of our manufacture exceeds the cost at which we could draw supplies from other sources. My own impression is, that the native plan of manufacture in Bengal is unnecessarily expensive; and though it may be doubted whether a supply from England or a manufacture by Englishmen would be cheaper, it is, I think, worth trying the experiment, if any one be willing to undertake the speculation.

1139. Is

1139. Is there not very great room for improvement in the article itself?—I am not sufficiently acquainted with the quality of salt to say; I thought that the salt I saw manufactured under the government agent of the Twenty-four Pergunnahs was very good; and though the salt brought from the coast, which is made by solar evaporation during the hot weather, usually contains a quantity of sand, that which is made in Bengal is, I believe, perfectly free from impurity when it leaves the government warehouses, as far at least as can be ascertained without a chemical analysis. But at the same time I must say that the consumers have a very different kind of salt furnished to them by the retail dealers.

1140. It becomes greatly adulterated before it gets to the retailers, does it not?—I believe so.

1141. Have you any knowledge of a letter which appears to have been sent out from the Court of Directors at home, in the month of June 1827, to the Bengal government, requesting them to consider and report upon the expediency of allowing an unrestricted trade of salt between Madras and Calcutta?—I do not now remember a letter to that effect; but the home authorities were generally, I think, in favour of a large and regular supply from the coast; and I have no doubt that the despatch referred to could be easily traced.

1142. Has the price of salt risen very much within the last 30 years?—Yes, it has, considerably.

1143. In what degree, should you suppose; could you name, in round numbers, the sum from which it has risen; is it from 260 or 270 rupees to 350 or 400 per 100 maunds?—Such, I think, has been about the rise, since the plan of public sales was established; but the fact can be ascertained with accuracy from the records.

1144. Should you draw an inference from that fact that the supply has become insufficient for the demand?—I have little doubt that it must partly arise from the more limited supply of the demand, the very principle of the monopoly being taxation through a rise in prices, consequent upon a restricted supply: and if the quantity supplied by Government be not less than it was formerly, in proportion to the population, the effect may be traced (and I have no doubt that in a great degree it is justly traceable,) to a diminution of smuggling. The improvement in prices may also be in some degree ascribed to a freer competition among the purchasers at the public sales.

1145. Does it not come to much the same thing, whether it was produced by smuggling or from the limitation of supply, because the smuggling gave increased supply?—Certainly, as far as concerns the consumers.

1146. Can you give any estimate at all of the amount of salt which is at present smuggled from the government monopoly?—No, nothing approaching to accuracy; but I believe it to be now much less than formerly.

1147. Have there been within the last few years any very material steps taken for the prevention of smuggling?—Yes, there was a Regulation passed in 1819, (No. X.), which contained several new and stricter rules against illicit dealing, and which provided for the better enforcement of the law. The superintendence of what are called the salt chokies, or the establishments intended to prevent smuggling beyond the limits of the agencies, have been placed under a greater number

13 March 1832.

Holt Mackenzie, Esq.

number of officers, the neighbouring collectors and others: and several other arrangements have been adopted, at the suggestion of the Board of Customs of Salt and Opium, calculated to prevent smuggling.

1148. From the nature of the manufacture, it appears that it is not capable of any very great extension, because it requires that it should be carried on in particular situations; would not that, to a certain degree, afford facility in the prevention of smuggling, even supposing the manufacture were opened?—I should imagine, if a high enough price is given, that the manufacture may be carried to almost any extent, looking to the vast length and character of the coast along which it may be carried on.

1149. What portion of that coast should you suppose is within the Company's agencies, within the limits of the manufacture?—The whole of the Cuttack coast may be considered as a manufacturing district; so that of Hidgelee and Tumlook, extending up the west bank of the Hooghly, to a short distance below Calcutta; the opposite side of that river, and the adjoining country on the borders of and within the forest of the Sunderbunds, is occupied by the agency of the Twenty-four Pergunnahs; and the Jessore agency occupies the central part of that tract. Further east is a part of the Sunderbunds, where no manufacture is now conducted. Then crossing the great river, we come to the coast of Tipperah, on which and the islands that lie along it, is what is called the Bulooah agency; and lastly, we reach the Chittagong agency, which runs down the coast towards Arracan. Thus the Bengal manufactures may be considered to extend, with a comparatively small interval, along the whole coast from the Chilka lake to near the island of Mascal, and along the banks of the almost countless streams by which the country is intersected; and a single glance at the map on the wall will show the great extent of country embraced by the circuit.

1150. That being the case, does not the government agency, under the monopoly, at present extend over almost the whole line upon which that manufacture could be carried on?—The agencies may be said to extend over the whole line, with the exception of a comparatively limited tract in the Sunderbunds, in which the manufacture might be carried on.

1151. But taking a general view, the government monopoly extends over almost the whole line?—Yes, with the exception I have mentioned. But in the Sunderbund part of the Twenty-four Pergunnah and Jessore agencies, the places of actual manufacture occupy but a small portion of the country, which is, it will be seen, of great extent and exceedingly difficult of access. The manufacture there is in many places conducted in the very heart of the forest, whither the manufacturers go in large bodies; having, I believe, to entrench themselves for the season against wild beasts, at a distance from the cultivated country, and leaving large tracts untouched. Of course if a price sufficiently high were offered, the whole of that country might produce far more than it now produces, many more stations being occupied than are now taken up.

1152. Supposing that the manufacture were free and left to individual enterprize, would it still be possible to extend it very much, except by increasing the number of manufacturers within that district?—Every where, I believe, many more salt works might be established if the price were raised, fuel being the main thing that

that is wanted; though I imagine that it is only within the Delta of the Ganges that any very large continuous tracts will be found unoccupied by the government manufacture. But then, on the coasts belonging to Madras and Bombay, salt may, I apprehend, be manufactured to any extent by solar evaporation, if workmen be procured.

1153. Supposing that these agencies were registered, and their names were entered in the government office, and that the manufacture was carried on under a permit, the present establishment of agency would appear to be sufficient to superintend this manufacture throughout the whole of that district, and prevent smuggling as efficiently as it does under the government monopoly?—If the manufacture were left perfectly free, if individuals were allowed to select their stations at pleasure, I should think that the existing establishment would not be sufficient; you would, probably, have a great multitude of individuals spreading the manufacture in various quarters, and all of those individuals, of course, must be separately checked. At present, the object of Government is to concentrate as much as possible; you could not force individuals to concentrate; but I must confess that without seeing the entire scheme on which it is proposed to proceed, laid down, with full information as to all local circumstances, I should find it difficult to say that it may or may not be accomplished.

1154. If the number of manufacturers, and accordingly the produce of manufacture, were much increased, the agency might be increased, because the revenue would increase?—The produce might not perhaps increase, though the number of salt works to be separately watched should increase. One object of the manufacturers would be to go where fuel was cheapest; another object would be, to go where our officers were least likely effectually to control them, and various means would doubtless be taken to thwart and evade their superintendence. On the whole, seeing how inaccessible many parts of the country are, and how little we really know of the people, I should fear that any system of excise, requiring strict rules, to be enforced by large establishments, would be exceedingly oppressive and expensive, and that to prevent smuggling we should be compelled so to act as to place the manufacturer on a much worse footing than the importer. The difficulty of dealing with the manufacture is enhanced by the facility with which it may be established; in most places it requires little besides a ploughed field and some hundred pots, built up like a bee hive, with fuel proportioned to the quantity of salt to be made. Salt works there do not imply anything like a large fixed establishment, with costly buildings or machinery. They might be multiplied to any number, and at a moment's warning. Although, therefore, I do not presume to say that the Government might not establish a system of rules, under which a free manufacture, import and sale might be permitted, I confess there appear to be more difficulties than I see the means of overcoming.

1155. Does not the Government at present advance to all the manufacturers the means of carrying on the manufactures?—Yes, they generally make advances.

1156. Might not one infer from that, that there would not be many persons in the districts who would be able to undertake the manufacture without an advance from Government?—I think it is probable that many individuals would make the necessary

13 March 1832.

Holt Mackenzie, Esq

necessary advances if they had a prospect of a higher price. It is chiefly a question of price, I should imagine, although the actual manufacturers of salt, like the manufacturers of most other things in India, and the cultivators too, being poor, depend upon advances; the system of advances being indeed general, in regard to almost every article of produce.

1157. Is it not an inference from that, that there are not many persons who would be able to undertake that system of manufacture without an advance from Government?—I think there are many persons of capital who would make the necessary advances if prices were sufficient; though the actual manufacturers would probably continue poor, especially in the inaccessible and unhealthy parts of the country. But then, such advances would be given subject to a very high charge of interest.

1158. Your view would be, that capitalists in Calcutta or elsewhere would take the place of Government and make these advances, and that the individuals who received those advances would contrive several means of eluding the officers?—I think so. We know so little of the country, the people are such strangers to us, and we to them, that an excise would probably fail; but, as I have already said, unless one saw the proposed scheme distinctly laid down, with the numbers and places of manufacture, and all local details fully exhibited, it must be very difficult to give a decisive opinion. On general principles, I am very averse to the monopoly; were it a mere question of trade, there could be no doubt: but a large revenue has to be realized; and however open to objections the monopoly must be admitted to be, there appears to be much cause of hesitation before it be resolved to supersede it.

1159. Is the government manufacture in those districts generally at fixed spots? —I cannot speak to this from my own knowledge; but I believe that the manufacture is generally conducted at the same places, because there are warehouses to receive the salt. Those, however, at the agencies are not expensive, and if fuel be wanting, or any other cause suggest a change, I cannot imagine that there is any difficulty in moving from one place to another, the apparatus being of a very simple description.

1160. Would it not be possible for Government, in the first instance, supposing that permits were made necessary for the security of the revenue, to grant those only in those particular spots in which the manufacture had been carried on by Government itself?—I do not think it would be easy to keep individual speculators fixed at particular spots, when desiring to change for a supply of fuel or other circumstance of convenience. It would be an essential restriction on the freedom of trade, not to allow individuals to go wherever they might think it was most for their advantage.

1161. Is the remaining part of the coast which you have pointed out much of the same character as the Sunderbunds; very much wild and uncultivated land? —I believe so.

1162. Is the coast of Cuttack and Chittagong much of the same description?— Chittagong is generally clear on the coast where the salt is manufactured; Cuttack is partly clear and partly forest; Hidgelee and Tumlook are entirely clear of forest; and

13 March 1832.

Holt Mackenzie, Esq.

and a considerable portion of the manufacture in the Twenty-four Pergunnahs is conducted in a clear country.

1163. Are you aware that the Government pays varying prices for the salt manufactured at its different agencies; does it not pay more at some agencies than at others?—Yes, there is a considerable variety of price.

1164. From what cause does that arise?—One great cause is, the different price of fuel in different quarters; and wages of labour also vary. Of the reasons that induce Government to continue the manufacture in dear places, one is, the difficulty of getting the full supply required in other places, without an increased price; another is, that the merchants who supply particular districts, give higher prices for salt delivered at stations convenient for their trade than they could afford for salt from remoter agencies.

1165. Making allowance for the nature of the employment of the molungee, its danger and its toil, and its annoyance, do you conceive that the remuneration to that molungee is higher than the ordinary rate of wages?—I believe that the molungees are very glad to be employed, and that now their labour is entirely free. I should imagine they were better off than the majority of labourers in the interior; particularly, because the manufacture does not generally interfere with their agricultural pursuits. They make salt in the hot weather: the commencement of the rains puts a stop to the manufacture, and they then get away to their ploughs.

1166. But the fact being that the greater part of those molungees are cultivators of land, and that generally they are desirous to enter into the manufacture of salt; it appears that the manufacture of salt affords to them considerable gain?—My impression is, on the whole, that it is a desirable service, though I do not imagine that their gains can be very high; besides, however, having such pay as to make it as good a service as they can get elsewhere, they enjoy particular protections against process during the manufacturing season; and under a good agent, who hears their story and assists and advises them, they are doubtless much secured against those exactions which form the crying evil of the zemindary system.

1167. Can you explain somewhat more fully the terms upon which Mr. Prinsep was allowed to undertake a private manufacture?—The principle was that the Government were to pay him a sum equivalent to that which they paid for the salt manufactured in the vicinity, with a further stipulation, that if the salt delivered by him fetched a higher price than the average of the agency salt, he should have the benefit of the excess; but the papers containing a detail of the transaction can, I imagine, be easily traced upon the records, if further information be required.

1168. Did he succeed in obtaining that price?—I think so, but I do not immediately remember the result; and as the failure of the house of Palmer & Co., to which he belonged, occurred before he had manufactured any considerable quantity, the experiment was not, I apprehend, fairly tried.

1169. It appears in the accounts of 1826–27, that in no one of the agencies was there a supply produced at all equal to the quantity ordered, and the totals differ from 40 lacs 13,000 maunds to 33 lacs 59,000. Does that often or constantly occur?—It very frequently occurs.

1170. Is

13 March 1832.

Holt Mackenzie, Esq.

1170. Is that to be attributed to the smuggling of the difference?—No, I imagine not; the probability is that the rains either continued longer or set in earlier than was expected; the salt is only manufactured in Bengal in the dry weather, and if the rains continue late, the molungees cannot obtain the brine, or light their fires soon enough to have a full produce; and the moment the rains commence there is an end of the manufacture. In the year in question, it was probably the object of the Government to get as much as they could.

1171. Does the Government make an allowance for those contingencies?—They always keep a quantity in reserve in the warehouses near Calcutta, to guard against such contingencies, and they order such a quantity to be manufactured or imported as is sufficient to keep up the stock; that is, about 1,500,000 maunds, which would suffice to meet any probable failure for two successive seasons.

1172. Are there any explanations which you would offer upon the subject of transit duties, in addition to those of the last evidence?—I take the liberty of putting in a paper which I have prepared since my last examination, with the view of showing the mode in which it appears to me that compensation might be obtained for the loss of revenue incident to the abolition of the transit duties at Bengal, supposing those duties abolished. For an explanation of the principles on which the sea customs should, in my judgment, be regulated, I beg to refer to a Memorandum written in Bengal, which has, I believe, been already printed; it is on the Bengal proceedings of June 1825.

(*The Witness delivered in the same, which was read as follows:*)

		Rs.
I find it stated that the transit duties of Bengal amounted in 1827-28 to - - - - - - - - - - - - -		49,76,781
There was secured by bond on indigo - - - - - - -		5,55,145
Total realized and secured - - *Rs.*		55,31,926
The charges are stated at - - - - - - - -	*Rs.* 8,30,448	
Drawbacks and bonds cancelled - - - - - - -	4,97,171	
Total deduction from the above duties - - -		13,27,619
Remains net amount retained - - - - - -		42,04,307
The duty on western salts (since considerably increased) is stated for that year at - - - - - - - -	*Rs.* 14,91,200	
The charges are estimated at - - - - - -	1,49,100	
Leaving net Receipt - - - - -	13,42,100	
The transit duty retained on exports is stated at - -	4,90,000	
		18,32,100
Deducting these sums from the net transit duty, there remains a loss, by relinquishment of transit duties, of - - - - - - - *Rs.*		23,72,207

To meet this, I think a considerable increase of duty on the imports by sea might be unobjectionably levied, supposing always that the revenue is required. Acting on this principle

13 March 1832.

Holt Mackenzie, Esq.

principle, and taking the imports at the scale of the year above mentioned, as exhibited in Mr. Wilson's report, we obtain the following results:

	Value imported.	Rate of Duty proposed.	Amount of Duty.
	Rs.	*Rs.*	*Rs.*
Copper - -	39,92,000	20	7,98,400
Tin - -	3,45,000	20	69,000
Spelter - -	11,95,000	20	2,39,000
Wines - -	10,62,000	30	3,18,600
Spirits - -	5,05,000	30	1,51,500
Malt - -	3,60,000	30	1,08,000
Tea - -	3,02,000	30	90,600
	77,61,000	7½	17,75,100
Madras - -	2,02,36,000	- - -	15,17,700
	2,79,97,000	- - -	32,92,800

Some articles, not enumerated, would bear a higher duty than 7½ per cent. (such as oilman's stores, coffee, chanks, cowries, arsenic), and foreign imports should pay some excess beyond the charge on British bottoms. But on the other hand, some abatements would probably be required; and the above is a sketch not professing a precise accuracy.

The sea customs are stated for the year in question at *Rs.* 14,28,000, of which, about *Rs.* 12,50,000 may, I imagine, be taken as the duty on imports.

Deducting this sum from the above, we have an addition of about *Rs.* 20,50,000, leaving an inconsiderable amount as the loss likely to follow the change of system, which must ultimately be very beneficial.

1173. Have you had, in your situation in India, an intimate knowledge of the operation of the opium monopoly?—My knowledge is chiefly confined to what has appeared in the records of Government, and to what I have derived from communication with the different agents and collectors; I never had any actual charge of an agency, nor any direct communication, that I remember, with an opium cultivator.

1174. Is the monopoly at this moment much less secure than it was some time since, in consequence of the interference of the foreign article?—Yes, I think it is; at least there can be no hope of the same rate of tax being levied as has prevailed in times past. All that we can look to is the difference between the cost at which opium can be furnished to China from Calcutta, and that at which it can be procured from other quarters, with some allowance possibly for quality.

LANGFORD KENNEDY, Esq. called in, and further examined.

Langford Kennedy, Esq

1175. HAVE you had any means of acquaintance, in the course of your employment in India, with the results of British settlement in that country?—I have; there were many indigo establishments and European planters in the district where I resided.

1176. What

13 March 1832.

Langford Kennedy, Esq.

1176. What should you say was the practical effect upon the country in which those settlers resided, from their presence and introduction?—As far as related to the district under my charge, and indeed I may say to the district of Tirhoot which adjoined it, and in which there were a great number of European planters, I should say the effect of their residence was, upon the whole, beneficial to the community; but they were, generally speaking, a superior class of men, I believe, to what are to be generally met with in the Bengal provinces.

1177. In what respect was the introduction of those settlers beneficial to the country?—They brought a large capital into the district, and gave employment to a great number of people, and, as far as I knew anything of them, I believe they generally treated the natives well and were liked by them.

1178. Were there many quarrels or disturbances between them and the natives?—There were occasionally; but I should say (comparatively speaking with other parts of the country,) quarrels or disturbances were not of frequent occurrence.

1179. Should you say that in the neighbourhood of these settlements disputes with the natives were less common than where British settlers had not appeared at all?—It would be difficult to say whether they have been more frequent or not; but as far as I can judge, I should say not much more so. I am alluding to that part of the country, however, in which I myself resided.

1180. Had the cultivation much improved in this part of the country through those settlers?—Their occupations were confined entirely to indigo cultivation, which certainly has improved of late years; but I do not think that the settlement of Europeans has had the effect of making any alteration in the system of agriculture pursued by the natives, which continues much the same as I apprehend it has done for a great length of time.

1181. Do you think it has had any effect upon the habits of the natives in their neighbourhood?—I do not think it has.

1182. Do you think that the circulation of money that was produced by those establishments had the effect of rendering their neighbourhood more comfortable?—I think it had in some respects; it certainly facilitated the collection of the public revenue.

1183. Do you conceive that the natives looked upon it as an advantage to have one of those establishments in their neighbourhood?—No; I should say, generally speaking, that they did not: the natives do not like the interference of Europeans with them, or with their cultivation; but as far as relates to the particular part of the country of which I am speaking, I believe they were upon the whole well pleased with the planters, at least those who were employed by them.

1184. You said that you believed, that the settlers with whom you were principally acquainted were a superior class of men to those which were found in other parts?—I did; I mean superior to those that are to be found in Bengal. I could mention one very great indigo concern, for instance, in the part of the country where I resided, that of Nowell & Company, in which there were many Europeans engaged; I have known a good deal of their concerns, and have had ample opportunities of observing their proceedings, and I have no hesitation in saying, that if Europeans like them could be brought into the country, or if permission to reside was confined to people of that description, it would be a great benefit to the

13 March 1832.

Longford Kennedy, Esq.

the country. But I am no advocate for the indiscriminate admission of Europeans; and never but under strict control.

1185. To what do you attribute the difference between those individuals and others in other parts of India?—To greater respectability of character. Generally speaking, as far as I have heard, the Europeans in Bengal are of a lower and more mixed description than those in the province of Behar.

1186. Was there anything to account for the difference why the settlers in the upper province should be a more respectable class than the others?—I am not aware of any reason why they should have been so, but they certainly were. In Tirhoot and Sarun quarrels between the European planters were very rare; disputes that may arise between them are settled generally by arbitration amongst themselves; and they avoid as much as possible recourse to our courts of justice; they in fact give the courts very little trouble. In Bengal, I believe it will be found that the courts are constantly occupied with disputes between European planters, interfering and fighting with one another; the systems, however, pursued in the two countries vary very essentially.

1187. Is it from those circumstances that you infer that they are a superior class of men, or from your communications with them?—As well from my private communications with them as from my official knowledge.

1188. Do you know the others?—Only by general report. I speak of them from what I have heard principally, having been but a short time stationed in Bengal.

1189. You compare your personal knowledge of the one with what you have heard of the others?—Yes: I can speak decidedly in favour of those who were in that part of the country where I was stationed.

1190. What was the number of Europeans settled as capitalists upon the land in the district in which you resided?—I should say perhaps about 20; I cannot speak positively, but I fancy about that number: in Tirhoot there were a great many more.

1191. Is it supposed that those concerns have been generally successful?—I think they have been generally successful; as far as I have known they have gone on tolerably well; success and failure, however, seem to be mixed up in the same proportions in indigo as in all other speculations.

1192. Were there any of long establishment?—Many of long establishment.

1193. Were there any new factories established?—Yes, there were.

1194. Do you think they were rapidly increasing?—Not rapidly increasing; many were established during the period I was in the district.

1195. Did they complain of the regulations under which they were permitted to cultivate indigo?—I have certainly heard objections to and complaints of the system pursued with respect to them and their pursuits.

1196. What were the principal objections that they made to the regulations?—I am not altogether prepared to answer that question; but I should say that, generally speaking, the objections were, that our regulations put them upon too great an equality with the natives, and gave the latter advantages at variance with their interests and convenience. Another objection was, the prohibition of holding lands; this objection, however, though true, was productive of but little practical injury,

13 March 1832.

Langford Kennedy, Esq.

injury, as they almost invariably did hold lands in the names of natives, and frequently to a very great extent; in fact the prohibition was purely nominal, they held lands in farm to the same extent probably as they would have done had the prohibition been removed.

1197. Did you ever hear much complaint of the power which the Company possess of transmission in case of misconduct?—I may have heard the question discussed, but I do not recollect an instance of its exercise in the part of the country where I resided.

1198. Did you ever hear much complaint of that power?—I never did, except as regarded particular individuals who were affected by it.

1199. Did they complain much of the delay in the administration of justice?—Very frequently; I have heard many complaints on this score.

1200. In what sense? as inefficient for the purposes of justice?—Yes: in that country a great deal depends upon the speedy decision of a suit or complaint, particularly to the indigo planters, to whom delay is often highly injurious; they have particularly complained of delay in our courts of justice, and in consequence they endeavour, where I resided, as much as possible to keep out of them.

1201. Is any objection made with respect to the police establishments?—Not often; but I have heard them occasionally object to the police, as being venal and partial in their official capacities.

1202. With respect to the rate of wages, should you say that in the neighbourhood of those establishments they were generally higher than in other parts of the country?—Generally, I think not: I should imagine that the rates of labourers' wages were pretty equal where those establishments were as elsewhere; the factory servants probably get higher wages.

1203. Should you imagine that they have raised the rate of wages in the province?—In some instances, probably they have: the labourer may take advantage of a planter's necessities, and refuse to work unless he obtains extra pay; or if the planter wants carriage, or anything of that kind, which is often of the greatest consequence, to get his plant in quickly, he will be required perhaps, and must comply, to give an extra price for the time being; the natives often take an advantage of that sort; but I should say that, generally speaking, the price of labour has not increased.

1204. Supposing the courts were made efficient for the dispatch of business, and for the due administration of justice, would there be much complaint, do you suppose, from those parties as to the nature of the laws on which justice might be administered in the interior in India?—I think it would be a difficult matter, if not a hopeless attempt, to frame any system of laws, consistent with justice to all parties, to give general satisfaction to the European settlers in India.

1205. Do you conceive that if the establishments were made effective for the administration of justice, they would be satisfied with the law as it at present stands?—Yes, I think they would be as well satisfied with it as with any other, equally consistent with justice to themselves as to the natives.

1206. How are the rents given by those cultivators, as compared with the other cultivators?—They are obliged to give a very high rate for their indigo lands; they often take a number of villages in farm from a zemindar, at a rent far beyond what

what the zemindar could obtain from any other people; they select such lands as are suited for their indigo cultivation, and let the remainder, generally on the old rate of assessment, to the ryots, to cultivate their own crops. They could not afford to farm in this way, but for the profits they derive from their indigo; very often indeed even these profits do not repay them: perhaps a zemindar would let a village to one of those planters for double, probably treble, what he could get for it under other circumstances, and it is therefore an advantage to them to get indigo planters upon their zemindaries; notwithstanding, I believe by far the greater number of landholders prefer having no connexion with Europeans.

1207. Do you suppose that if the cultivation of indigo by British subjects were made more easy, it would in any degree supplant the present cultivation of the country?—Certainly not; unless the law gives them greater power than it does now. Planters, even as it is, when they take a village, find it very difficult to get either the quantity or quality of land they want for the cultivation of indigo; they cannot compel the ryots to cultivate it, and most frequently the latter are not willing to do so.

1208. Is it land generally transferred from some other produce, or waste land? —It is generally land transferred from some other cultivation; seldom or never on waste land.

1209. Never land reclaimed?—Sometimes: in some parts of a factory, cultivation; on rivers, for instance, they occasionally cultivate indigo, but never to any great extent, on account of the risk they run from sudden inundation.

1210. If facilities were given of producing a considerable extension of indigo cultivation, whatever extension was given, it must be a substitution for other cultivation?—It has hitherto been generally a substitution for other crops, but I have no doubt that a great deal of land, at present uncultivated, might be rendered fit for indigo, as for all other descriptions of cultivation.

1211. You said that the prohibition to hold land was merely nominal?—It has been rendered so by the Europeans; for they have, as I have already said, held lands in farm to a great extent.

1212. Do you mean that that prohibition does not subject the holders of lands to any risk?—It certainly does; but they have hitherto evaded the law by holding the land in the names of those people qualified to do so, and in whose names they sue and are sued in the courts. I do not recollect a case wherein a European has suffered from holding land contrary to the prohibition; although I have reason to believe that Government were perfectly aware of their doing so.

1213. Are they not in some degree at the mercy of the zemindar under whom they hold it?—In some degree they are at the mercy of the zemindar: the zemindar farms the land, however, probably to a native servant in the employ of the European; and in the event of any dispute arising, the European can contend with the zemindar in court in his servant's name. I never knew an instance of an European purchasing land out-and-out; they merely farm for the particular purpose of obtaining indigo cultivation; and I doubt very much whether it would be ever their interest to do so, supposing it to be practicable, which I do not; they run very little risk from the present system of farming, which I apprehend they consider the most beneficial of the two.

1214. Are

13 March 1832.

Langford Kennedy, Esq

1214. Are they not very much at the mercy of the natives in whose names they hold those lands?—They certainly are much at their mercy; and I have known some serious misunderstandings arise on that very score, from the native servant quarrelling with his master, and claiming the land as his own, under the terms of the lease: the European of course could not contest it with him in court.

1215. Has that often occurred?—Not often, as far as I know; but I have known instances of the kind occur.

1216. What sort of consideration is usually given to the native, to induce him to undertake this agency?—I am not aware that any particular consideration is given; the lease is generally made out, as I have before said, in the name of one of the planter's own servants.

1217. Is it the fact, that the land upon which indigo is grown is generally land unfit for the growth of crops of corn, and very generally sand-banks in the rivers, and land of that description?—The land on which indigo is grown is generally the second best in the village, inferior only to poppy and tobacco land; there is no land too good for it, and the planters try to get the best they can. With regard to river land, that system of cultivation is more confined to Bengal; in the district where I resided, there is very little cultivated on the banks of rivers, on account of the risk to which the plant is exposed from sudden inundation.

1218. Was there any sugar cultivated in your district?—A good deal.

1219. How was that carried on?—Entirely by the natives.

1220. Were there any European capitalists engaged, in the same manner as in the indigo?—None.

1221. Are the establishments of the natives very extensive?—Quite the reverse; but the cultivation is very extensive: their sugar establishments, like all other native establishments, are comparatively very small and very simple; they cultivate a great deal for the Company: the commercial resident at Ghazeepore makes advances to them, and takes a great quantity of their sugar for the Company. I remember, in the neighbouring district of Tirhoot, an attempt being made some years ago, by two Europeans, to make sugar and rum by machinery, similar to that in use in the West-Indies. One of the partners had been in the West-Indies, and had had a good deal of experience in the sugar plantations there; they brought their machinery at a considerable expense from England, and worked it for some time; but found at last, not only that they could not, with their heavy cylinders, express the juice from the cane so well as the natives could by their simple process, but that the natives, from their more simple and less expensive process, completely undersold them in the market; it was given up in consequence, and I believe the machinery lies there unemployed to this day.

1222. Was the cultivation of sugar increasing in your district?—I do not think it was; it was pretty much the same when I left it as it had been for some years.

1223. What is the establishment that is necessary for the manufacture of indigo, to the extent to which it is manufactured?—The great expense of an indigo concern consists, in the first instance, in building the works and procuring the requisite machinery, an establishment of native servants, corresponding with the extent of the concern, is of course entertained.

1224. Are

13 March 1832.

Langford Kennedy,
Esq.

1224. Are those works of an expensive description?—In the districts I have mentioned very expensive, but they are very superior to anything of the kind to be met with in Bengal: they are often on a most extensive and expensive scale.

1225. Can you say to what extent those persons have been induced to vest capital in those factories?—I am not prepared to answer that question, but I should think that the works of a first-rate indigo factory could not be built for much less than from 50,000 to 60,000 rupees, that is, such as were built in the districts alluded to.

1226. Do you think there were many factories that could not be established at a less expense?—A great number throughout Behar, but in Bengal the expense of erecting indigo works is nothing like this sum; they have them there of all dimensions and descriptions.

1227. How should you compare the outlay necessary for indigo with the capital necessary for the manufacture of sugar?—I am unable to draw a comparison. The machinery which I have alluded to already for the manufacture of sugar, though upon a very small scale, was very expensive, I believe; it was, however, intended more as an experiment than anything else.

1228. Do you suppose that the capital necessary for the sugar manufacture would be greater than that required for an indigo manufacture?—I am not prepared to answer this question with the precision I could wish, being but little acquainted with the sugar manufacture, and never having had an opportunity of seeing the West-India system, except on the small scale already noticed. The machinery for sugar would, I apprehend, require to be brought from Europe, whilst that employed for indigo can all be procured in India: the extent of capital required would be, in either case, in proportion to the extent of the concern; but the sugar cane is a much more expensive and tedious cultivation than the indigo, though not so precarious or so much dependent on season.

Veneris, 16° *die Martii*, 1832.

The Hon. JOHN STUART WORTLEY, in the Chair.

DAVID HILL, Esq. called in and examined.

David Hill, Esq.

16 March 1832.

1229. IN what office have you been employed in India?—After a few months residence at Madras, I was employed, first as an assistant collector in the Tinnevelly, then in the Malabar district, for upwards of two years in those two districts; I was then brought to the presidency of Madras, and employed in the secretary's office, and went through the several gradations of that office, and rose to the head of it; came home in the year 1828, returned again in 1829 to the same office as chief secretary, and remained there a few weeks, when I was called to Calcutta, to be

16 March 1832.

David Hill, Esq.

be employed in the finance committee sitting there. I was employed for 15 or 16 months on that duty, and returned afterwards to England.

1230. What is the length of time to which your experience of India extends?—I was resident in India, on those two occasions, between 23 and 24 years.

1231. Having been employed for a length of time in the Revenue department under the presidency of Madras, can you inform the Committee which of the systems of collection under that presidency you conceive has worked most successfully for the purposes of the revenue?—I have had very little practical experience in revenue affairs, having been employed as assistant collector only a short time, more than 20 years ago; and I possess only such general knowledge as I have gathered from having been employed about the Government. My ideas on the several systems are, therefore, not of a detailed nature. There are two or three general considerations which have always had a commanding influence in my estimate of the several systems. Comparing ryotwarry with other systems, for instance, the subject that has been debated so much under the Madras presidency, the first consideration that seems to me nearly conclusive on the subject is, that unless the Government are prepared to provide effectually for the preservation of all existing rights and tenures connected with the land, they are not ready to adopt any other than a ryotwarry settlement. The advocates for both systems, zemindary and ryotwarry, agree in their opinion that all existing rights ought to be respected, whatever new ones may be established; and unless the Government have accurately ascertained what the existing rights are, they are not ready to adopt a system which may ultimately prove to infringe on any of those rights. That consideration seems to me to be conclusive against the adoption of any but a ryotwarry settlement, inasmuch as I believe that the Government do not possess that knowledge with respect to any one district within their immense dominions. In the next place, another general consideration, of the same conclusive nature in my estimation, is, that whatever other system may be adopted, the ryotwarry system must form an essential part of it. Others may be superinduced upon it, but it can never be dispensed with. You can no more form a zemindary settlement without a ryotwarry one, than you can write a current hand without spelling; although in either case you may be unconscious of the subsidiary operation. The ryotwarry settlement is an essential part of the zemindary one. If the officers of government do not make settlements with the ryots, the zemindar must; and therefore the objections that are taken against a ryotwarry settlement will not be obviated by the substitution of any other, excepting in as far as those objections apply to the ryotwarry settlement being executed by the officers of government. The other objections, independent of that one of the ryotwarry settlement being executed by the officers of Government, arise from the amount, not the mode, of the assessment; from the poverty of the inhabitants, from the peculiar system of agriculture, and from the state of society in India, and are not necessarily connected with the distinctive character of a ryotwarry settlement.

1232. It appears that the main difficulty in determining between the different settlements that have been adopted, or may be adopted in India, arises in ascertaining what the native rights to the land may be?—That is one immense difficulty. I am not prepared at all to be of opinion, that if those rights were ascertained, a zemindary

a zemindary settlement is preferable to a ryotwarry; but till they are ascertained, I imagine that a zemindary settlement cannot be introduced without the hazard, indeed the certainty, of gross injustice, such as has been inflicted to an immeasurable amount on the cultivators of Bengal, by the permanent settlement there.

1233. One of the chief advantages which you have mentioned of the ryotwarry settlement is, that it does not interfere at all with the rights?—It does not preclude the Government from correcting its errors; whereas a permanent zemindary settlement has that effect. A ryotwarry settlement, if errors are committed on any occasion, admits of their being corrected when they are discovered: the zemindary settlement leaves it impracticable with the Government to correct the mistakes which it has committed, as is the case now in Bengal. I believe all the functionaries of the Bengal government are of opinion that the grossest injustice has unintentionally been done to the cultivators by the permanent settlement, but that the legislative measures sanctioning it preclude the Government from remedying that injustice.

1234. Supposing that the Government concluded such a settlement as in Bengal, but without one of its main features, its permanency; do you conceive that there are such reasons in favour of a ryotwarry settlement as should prevail against the contract between the Government and the zemindar, for the collection of the land revenue?—I am not aware that the idea of a temporary zemindary settlement has been entertained; and I apprehend that it would be impracticable. It would be merely handing over the cultivators to a rack-rent landlord for a limited term.

1235. Has the ryotwarry settlement in any case been made a permanent settlement?—The intention of its chief author, the person to whom every body attributes it in its present character, Sir Thomas Munro, was, that it should grow to be a permanent settlement. It has nothing necessarily in it of the character of permanency, and it can only become permanent by being well executed. If it is badly executed, it continues a temporary and annual settlement; and I apprehend it has not yet subsisted in any other character than as a temporary settlement.

1236. Has it in any district been carried to that extent as to become a permanent settlement?—I think not. A claim is now preferred on behalf of the management of Coimbatoor to be permanent, and I hope it may prove so; I think there is reason to entertain that hope.

1237. The districts which were first subjected to a ryotwarry settlement were those surveyed by Colonel Read, were they not?—Yes; the first districts that were taken from the Mysore country after Lord Cornwallis's war.

1238. Were they not settled on that system long before the settlement of Coimbatoor?—Long before; in 1793.

1239. Can you explain why it is that the settlement in the district of Coimbatoor appears to have arrived nearer its adaptation for permanency than those which were commenced so long before, and by such able hands?—The ryotwarry system gave way to a zemindary settlement, which failed. The ryotwarry settlement is now reverted to, under less favourable circumstances; because a great portion of the village and survey accounts, the materials upon which the ryotwarry settlement might have grown to be permanent, have been lost in the interval during the zemindary settlement, when they were supposed to be of little value.

16 March 1832.

David Hill, Esq.

1240. There are other districts in which the settlement was made under Sir Thomas Munro; those must have been made long before the province of Coimbatoor?—In the ceded districts, Bellary and Cuddapah, which were first taken possession of by Sir Thomas Munro, he introduced a survey as the foundation of a ryotwarry settlement, and a ryotwarry settlement which it was his wish to render permanent. A few years afterwards, from the difficulty of collecting the high revenue that was assessed upon the districts, and from an apprehended difficulty in carrying the ryotwarry settlement into effect under the operation of the judicial regulations, the hope was formed that a village lease settlement might combine the advantages of the ryotwarry settlement with the removal of those difficulties, the difficulty of realizing the revenue, and of rendering the assessment compatible with the new judicial system. With this object, a village-lease settlement was substituted for the ryotwarry settlement, and, in the opinion of the revenue officers who have served in those districts since, has been attended with total failure, and with extreme injury to the people. That interfered therefore with the successful progress of Sir Thomas Munro's ryotwarry settlement in the ceded districts, interrupting it for about 10 years.

1241. It was one of the first principles of Sir Thomas Munro, that in establishing a ryotwarry settlement with any prospect of success, the revenue should be assessed at a very moderate rate?—It was his anxious desire that that should be the case, but the circumstances of India have never permitted effect to be given to the desire, either in Sir Thomas Munro's districts, or in any other. Owing to the case being so, I apprehend that the ryotwarry settlement has never had fair play. In addition to the defects of the system, this evil has universally attended it, that the Government has required a larger revenue than the district could yield.

1242. The Committee conceive that Sir Thomas Munro, on all occasions on which he recommended the adoption of the ryotwarry settlement under the presidency of Madras, maintained that the assessment must be made at a moderate rate, in order to give the prospect of success; and that if they had continued under the zemindary settlement, the tendency of the latter was to increase the assessment to such a rate as to make it impossible that the collection of the revenue should proceed either with regularity or with regard to the welfare of the inhabitants?—I am not aware that Sir Thomas Munro entertained the opinion that the ryotwarry assessment must necessarily be more moderate than the zemindary assessment, or rather that the revenue realized under a well-executed ryotwarry assessment must be of smaller amount than the revenue realized under a zemindary settlement. On the contrary, I apprehend that one great recommendation of the ryotwarry settlement was, that the portion of the revenue which was set apart for the zemindar, and the growing resources of the country, which would fall entirely into the zemindar's hands, might, under the ryotwarry settlement, be reserved to the Government. But Sir Thomas Munro was strongly of opinion that it was necessary that the ryotwarry assessment should be a moderate one. In executing his own ryotwarry settlement for the ceded districts, he assessed the country higher than it was able to bear, and consequently, on leaving the country, he strongly recommended the Government that a reduction of 25 in certain cases, and 33 in others, should be made.

1243. You

16 March 1832.

David Hill, Esq.

1243. You remarked, in one of your former answers, that the zemindary system necessarily included in a great degree the principles of a ryotwarry settlement, and that you must ultimately come to the execution of the ryotwarry settlement in order to collect the revenue, whether under the zemindary or the ryotwarry settlement. The great distinction between the two cases is, that under the ryotwarry settlement the Government ascertains the precise portion of assessment that is to be affixed to each division of the land, and that in the other case it is left to the zemindar, or whoever may be the farmer of the revenue, to apportion the assessment according to his discretion: Is that so?—If the ground-work of a ryotwarry settlement had been properly prepared before the introduction of a zemindary settlement, then it would not be necessary to leave the rights of the under-tenants to the discretion of the zemindar; but, in the only mode in which a zemindary settlement has ever been concluded, the evil that the question implies has certainly been introduced under that settlement; viz. the rights of all other parties interested in the land have been left to the discretion of the zemindar.

1244. In order to make a ryotwarry settlement properly successful, it has always been considered necessary that there should not only be an assessment made by Government on each individual ryot, but that there should be a detailed survey of the land, and an assessment fixed on each division of it?—That, or a reference to village accounts as a temporary substitute.

1245. But the principle always is, that there should be an assessment proportioned to the land, whether by assessment or village survey. Do you not consider that that is one of the most important and one of the most beneficial features in the ryotwarry settlement, independently of the contract with the ryot in preference to that of the zemindar, and is of itself a very great advantage in giving facilities to the interchange of lands?—As the means of attaining the advantages of a ryotwarry settlement, I consider the object to be of immense importance.

1246. For instance, supposing that the land required a saleable value, it would be of great importance that the assessment upon its divisions should be known and fixed, rather than that they should be left to the discretion of an individual like the zemindar?—Certainly.

1247. Are you aware whether in the districts that have been settled on the ryotwarry settlement there is at this moment any saleable value for land in the market?—In some districts there is understood to be a saleable value of land; for instance, in Malabar, Canara, Tanjore, and parts of the southern division of Arcot.

1248. Can you state at all to what amount that value has risen?—I have no such information.

1249. But you believe it has been obtained?—It is so stated in the official records upon the subject: full information will be found in the records, particularly as to Malabar and Canara, and also Tanjore.

1250. Speaking generally, can you inform the Committee what rate the assessment bears to the produce of the land in a ryotwarry settlement?—I think there has been a great deal of loose calculation on that subject in official reports, making it fluctuate somewhere about 50 per cent., sometimes as low as 35, and sometimes as high as 55. I imagine there is much inaccuracy in that sort of estimate;

16 March 1832.

David Hill, Esq.

estimate; the assessment must vary so much according to the fertility of the soil and the expense of cultivation, that it never can be an accurate proportion of the produce of the land.

1251. Do you conceive that a general conjecture cannot be made so as to approach to the truth upon that subject?—I think it usually is taken after certain deductions, such as 10 per cent. on the gross produce of the country; that about 40 per cent. should go to the Government, and the rest to the cultivator; but I look upon these as merely rough guesses, that do not in any case show the exact truth. It manifestly is impracticable to levy an assessment upon that principle. Some land can yield a very small proportion of its produce as revenue or rent, or whatever name it bears, and other land can yield much more, and it would be quite impracticable to take a certain proportion as a general standard.

1252. As to the difficulty of effecting a detailed survey of that description as a foundation of the ryotwarry settlement, do you imagine that that is a difficulty which may be overcome by persons of ordinary information and experience in revenue collections, or do you imagine it requires persons of very uncommon abilities, which were found in the case of Sir Thomas Munro?—It requires the greatest abilities, such as he and Colonel Read, his master, of whom he always spoke with the greatest respect, possessed, to set the thing going; but I have no idea that more than ordinary revenue experience and capacity is required to carry the system on so as to make a ryotwarry settlement better than any other. Generally speaking, I should say, as applicable to every question in the government of India, that no system, zemindary or ryotwarry, or any other, deserves to be rejected merely because it has a great many faults. Our position in India is so forced and unnatural, that my belief is that all our institutions must be defective The perfectibility of schemes for assessing and collecting the revenue, for administering justice, and for preserving peace and order in the country, is mere delusion. It is only while a person is heated as being the advocate of a particular system, that he paints it to himself as free from all the faults of other systems. The exceptions which any system is justly liable to, have to be weighed on one side against its merits, and on the other side against the defects of rival systems, and the best we shall have in any case will be a balance in favour of the system we prefer.

1253. Is there anything in the principles of a ryotwarry settlement which would induce you to think that the general reasoning in its favour would not apply equally to different districts, assuming, what is certainly the case, that the natives in different parts of India differ materially in their habits and in their institutions?—On the general grounds, which are convincing to my mind, and which I have stated in answer to previous questions, my opinion is, that the ryotwarry system must necessarily be preferable to any other, and that it forms an essential ingredient in every other, and therefore there can be no variety of circumstances, I think, in India which can make it advisable to refrain from adopting the ryotwarry system.

1254. You have already said, that though you conceive it might require very great and uncommon abilities to set that system going, as in the case of Sir Thomas Munro and Colonel Read's experiment, it might be carried on by persons of more ordinary capacity; do you intend by that answer to say, that the first settlement upon that principle required more than ordinary abilities; or do you mean that it

was

was merely in the commencement of a given assessment, and that the ordinary abilities might be sufficient, not only for carrying on the given assessment which had been made, but for commencing it in other districts?—The last was the sense in which I used the expression. There will be more difficulty, of course, in following the example for the first time in any particular district; but I only meant, that originating the system, chalking out its principles, and setting the first example of it, was what required superior capacity. Some of our best revenue officers have not been men of superior capacity.

1255. Was it not the practice of Sir Thomas Munro, and one which contributed, in a very great measure, to his success, to employ the natives, to a very great extent, in his operations?—To a very great extent, as every one must do in carrying the system into effect. He placed very great reliance on their capacity.

1256. In making a ryotwarry settlement practicable, does it not become necessary to make more use of native aid than under any other settlement?—It becomes necessary for the officers of Government to employ them more; but as the ryotwarry settlement must be carried on by the zemindar, in reality there is no difference.

1257. Must not the government officers have a more extensive communication with the natives, than they would under any other system?—They must.

1258. Under those circumstances, do you conceive that the collectors in the Company's service in the presidency of Madras, with which you are best acquainted, generally are well qualified to superintend effectually so extensive a native agency as Sir Thomas Munro appears to have employed in his operations?—Perfectly, I think.

1259. From your knowledge of the results of those operations, should you say that the natives are capable of being more extensively employed than they have hitherto been in the assessment and collection of the land revenue with advantage to themselves and to the State?—I have not the least doubt of it.

1260. Is there any change in the system of emoluments which are allowed to them, or in any other respects, which you should conceive necessary in order to make that employment really successful?—I think the emoluments are now on a liberal scale under the Madras presidency.

1261. Do you think sufficiently so?—Perhaps not sufficiently so; as their employment in the civil service becomes higher their emoluments ought to increase too; their emoluments ought to be progressive. In fact, I conceive that all the duties now performed by European officers ought, in process of time, to be conducted by the natives, with the exception of such only as necessarily accompany the condition of the conquerors and rulers of the country.

1262. Is the employment of natives extending in the Revenue department?—Very much.

1263. Is that in consequence of the ryotwarry settlement, or from the general policy of the government?—It has increased more in the Judicial than in the Revenue department. Owing to the ryotwarry settlement having been reverted to where it had been given up, and having been universally adopted by the government of Madras, the native officers are now in fuller employment in the Revenue department than they have ever been before; and also in a great part of the magistracy of the Government.

1264. Is

16 March 1832

David Hill, Esq.

1264. Is the policy of the Government to employ them as much as possible?—The policy of Sir Thomas Munro was very much so. If the question applies to the present Government, I should answer in the negative; but the general tendency of the Indian authorities at present in this country and abroad also is favourable to the extension of the employment of the natives.

1265. May the ryotwarry settlement at present be said to prevail over all the districts in the presidency of Madras, except over the Northern Circars?—There are a few zemindaries in other parts of the country, but with those exceptions it prevails universally.

1266. What do you conceive to have been the result, with respect to the amount of the revenue, of the extensive adoption of the ryotwarry settlement; do you imagine that it has contributed to the regularity of the collection, or has the result been that the revenue has been collected to a smaller amount?—The collection of the revenue has been wonderfully regular for upwards of 20 years. The variation, under all the changes of system, has been extraordinarily small. The revenue has not fallen off of late years, with the exception of its having been affected by particular seasons; there has been no gradual decline. I am not aware that there has been an increase, and I do not think that there should be. The revenue throughout the Madras presidency has borne very heavily on the people.

1267. Have there been large arrears of revenue outstanding?—There have always been large arrears; they are less now than they used to be.

1268. In the assessment of the land, more especially in the territories of Madras, is there not a distinction made between the dry lands and the irrigated lands?—Yes.

1269. Is it not higher upon the irrigated lands than upon the others?—Yes, it is.

1270. Do you conceive that the cultivation upon irrigated lands has been in the course of much extension within the period of the last Charter; has much land been transferred from dry to wet?—I should think not much; it does not admit of much increase; it very generally depends upon natural advantages.

1271. Are there not many districts in which natural advantages at present exist, provided they were made use of, and in which it requires some application of labour or skill in order to convert those lands into wet lands or irrigated lands, which are at present dry from the neglect of those natural advantages?—I think it is more usual in the progress of cultivation to convert wet and dry land into garden land by artificial irrigation, by sinking wells, so as to rear more profitable produce upon it, at a greater expense on the part of the agriculturists; and that is stated to have increased considerably in Coimbatoor under the advantages which that district has enjoyed during the present ryotwarry settlement. However, I have not detailed information with regard to those points.

1272. Are you acquainted with many districts in which the zemindary system prevails?—I have stated that I have little or no practical detailed information regarding revenue affairs.

1273. Will you inform the Committee what has been the consequence of the establishment of a zemindary settlement in the Northern Circars and in the districts under the presidency of Madras; how has the revenue in those parts been collected,

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and what effect has it had upon the population of those districts?—I am not sure that I have very accurate information with regard to any of the zemindaries; but I think there has been the greatest difficulty in saving the families of the zemindars from total ruin and extinction, they have mismanaged their zemindaries so completely. As far as I remember, there is only one zemindar in the northern districts who is in a prosperous condition.

1274. Do you conceive that the greater part of the zemindars are more or less brought to ruin?—They have grossly mismanaged their districts, and their own private pecuniary affairs besides, and have had their districts transferred to the government officers as security for the payment of the revenue, in order that they might be retrieved from the disorder into which they had fallen.

1275. Have there been many of those estates sold?—Yes. Government, however, has always been very reluctant to sell ancient zemindaries, and in order to save them has authorized the revenue officers to undertake the management of such estates, and to put the zemindars upon a limited allowance, so that the estate should be still preserved in the family. They have been exceedingly averse to sell such estates, both from feelings of respect to the ancient family, and also from political considerations connected with the peace and good order of the country. By selling the estate there would be an opposite party in it, and the peace of the country would be endangered.

1276. Have not the Government in those districts pursued a more indulgent course than that which has been adopted in the provinces of Bengal?—I should imagine that the Bengal government would have done the same thing with any ancient zemindars who possessed great influence in the parts of the country where they resided; but I believe they are almost all extinct.

1277. What has been the effect of that upon the cultivators of the soil?—I have not accurate information upon that point. My general impression from the view afforded on that subject on the records of the Government is, that their situation is worse under the zemindars than under the management of government officers.

1278. Do you imagine that the distress which you have described as prevailing among the landholders of such districts is principally to be attributed to their own mismanagement and misconduct, or is it to be attributed to the system under which they acted?—Entirely, I think, to the disorder in which their family affairs have fallen. The oppression of their cultivators arises in part, no doubt, from the same cause, but also is, I imagine, the natural consequence of the cultivators being at the mercy of the zemindars.

1279. Have you any means of saying whether the natives receive the ryotwarry system in preference to the other?—I think it has always been understood, even when the zemindary system was in favour, as it was for some years after I went to India, that the cultivators greatly preferred being tenants of the Government to being tenants of the zemindars. The zemindary system was always extremely unpopular with the cultivators.

1280. Their own disposition and interest therefore would facilitate the execution of the ryotwarry settlement?—That has always been the case, I think, even in the days when the zemindary system was in favour.

1281. Will

16 March 1832.

David Hill, Esq.

1281. Will you describe generally the difference which may prevail in the species of cultivation in the different portions of the Madras presidency?—In the districts above the Ghauts dry grain cultivation chiefly prevails. In Tanjore, the land being watered by the Cavery, the cultivation is almost exclusively wet, and much more productive. In the Carnatic, both dry and wet cultivation prevail in every district. In Malabar, the natural rains are much heavier, and prevail much longer; but there is no artificial irrigation there. They would be considered dry grain districts in the Carnatic, from the want of irrigation, but they are really wet grain districts, owing to the natural supply of water from the heavy rains. In the Ceded Districts cotton is grown to a great extent, as also in Coimbatoor, Tinnevelly, and Madura. Cotton is not grown in the Carnatic, nor in Tanjore. In Malabar there is a considerable growth of pepper and coffee.

1282. Is there any indigo grown under the Madras presidency?—Within the last 20 years a very considerable growth of indigo has been introduced; there was little or none before.

1283. Has that cultivation been conducted by British settlers?—I think entirely.

1284. Will you state what your opinion is of the consequences of British settlers residing in India?—My opinion is, that the expectation of any benefit from it is much exaggerated. I am afraid that it will turn out a bad speculation for those who make the attempt. The name under which the process used to pass was *colonization*, as if India were uninhabited, or the inhabitants were to be expelled. The idea now seems to be, that British capital and enterprize and skill should be introduced into India; I think that must be beneficial to India, as it would be to any other country, that foreign skill and capital should be applied to draw forth its resources; but I am afraid that it would not answer the expectation of those who made the trial. It would be quite contrary to past experience if British capital were to be transferred to India. When the rate of profit was so very much higher than it can be in time to come, the case was very much the other way. Capital always came from India to England. I have no idea that the case will be otherwise in time to come. In my opinion, the capital employed in India will be money raised there; it will not be money transferred from this country. The distance of our Indian empire, and our uncertain tenure of it, and the still more fluctuating rumours regarding the hazards to which it is exposed, will always deter English capitalists from transferring their funds to India. If none but men of skill and enterprize and good character went upon such an undertaking, it could of course do only good to the country; more good to India than to themselves, I apprehend. But the extent of such application of British skill and capital would fall very far short of the sanguine expectations of any of the advocates of the system. In addition to those considerations which lead me to think that the advantages have been greatly exaggerated, I apprehend also, that the attempt must be attended with extreme difficulty in the way of administering justice, civil and criminal, over the European settlers, even in the very limited degree in which I conceive the system is likely to operate, though free scope were given to it. I apprehend also, that as the settlers will belong to the dominant party in the State, the rules for the application of their skill and capital in drawing out the resources of the country will always

always be both framed and executed so as to favour them at the expense of the natives of India. I imagine that no system of judicature can either be introduced or executed which will afford adequate protection. Giving jurisdiction to the local courts of the country would, under such circumstances, be more nominal than real. I do not imagine that any local officer of the Government could put forth the terrors of the law against European settlers in his district, if the tendency of the system were to make them the authors of mischief to the inhabitants of the country; he would not be strong enough to do it; his life would be made miserable by the attempt; and the system which would grow up would be that of winking at breaches of the law and of order committed by the settlers against the natives. The system that would practically operate would be that of oppression on the part of lower Europeans of bad character over the natives, pretty much as I have understood it is in the West-Indies. I have heard a person in India, who had lived in the West-Indies, contrast the two countries, speaking of the immense superiority of the West-Indies to the negroes in point of climate and comfort, but of those advantages being more than compensated by India being totally free from disorderly Europeans.

1285. Are you enabled to speak to the fact with respect to the present settlers in the Madras territories? Can you inform the Committee whether there have been very frequent disturbances and disputes with the natives on their part?—We have very few settlers, and I do not recollect that we have had an instance of that which the question alludes to; but the state of the case is very different from what it would be if any general settlement were to take place, because the Government now exercises absolute authority, and grants permission, or withholds permission, or withdraws permission, as they think fit, according to what their views of public expediency may render advisable.

1286. In what part of the country have those settlers established themselves?—There are a few in North Arcot and South Arcot, which are two of the principal indigo districts, in the Northern Circars, and in other districts. There are very few altogether, and generally speaking I must say, contrary t my theoretical view of the subject, they have been very well behaved. The Government certainly have had no occasion to complain of them, generally speaking If there are particular exceptions, they are not within my recollection at present, and I am confident there are not many.

1287. Are you enabled to speak at all with reference to the actual success of those establishments in a pecuniary point of view?—Till within the last few years, the indigo cultivation was extremely profitable: it has not been so within the last three or four years.

1288. It appears that notwithstanding the existing impediments in the way of British settlement in India, considerable capital has been invested in the Bengal provinces in the culture of indigo by such persons, and that it has, by your evidence, to a certain extent taken place in the Madras territories; upon what grounds do you conceive, if there exists a temptation under the existing system to such an investment of capital, that, provided those restrictions and impediments which are met with under that system were removed, such a temptation would not operate to a still greater degree in the attraction of capital and skill to India?—I am not aware

16 March 1832.

David Hill, Esq.

aware that much capital has been invested; however, that would not materially affect the question which is proposed, because considerable produce certainly has been raised.

1289. Sufficient capital has been invested, particularly in the Bengal provinces, to improve very much the produce of the land in those presidencies; is it not likely that that investment of capital, to whatever amount it may be, certainly to the great advantage of the districts in which it is invested, would proceed to a greater extent if that settlement were freer from restrictions and impediments than it is at present?—I am inclined to think it would not, but that under the present system the thing goes as far as the natural condition of the country allows.

1290. Have you heard, in the instances you have mentioned of European settlers in the Madras presidency, any complaints of the system pursued by the Madras government with reference to European settlement?—I think not. Occasional difficulty there may be, because nothing can be obtained as matter of right; but I do not think that respectable traders or merchants at Madras practically find much difficulty, of which they have occasion to procure the removal by any legislative measure.

1291. Is it not forbidden for any European at this moment in India to obtain any land in his own name?—It is.

1292. The consequence of that must be, that those persons who invest their capital there are compelled to resort to indirect means to possess land; do you not consider that that is a great impediment and disadvantage to the investment of capital in that way?—It may be a disadvantage to an European wishing to invest his capital in that way, but according to my view it would be a necessary provision to make hereafter for the natives, in case of a considerable extension of British settlers.

1293. Do you conceive that there are no restrictions at present prevailing on the settlement of Europeans in India which would not be necessary under any system?—I imagine that the natives of India would be great sufferers if those restrictions as to the occupation of land by Europeans were removed.

1294. Assuming that it would be practicable to render the judicial establishment effective for the purpose of the administration of justice, in what way do you conceive that the admission of Europeans to the possession of land in India would operate to the disadvantage of the natives?—In the first place, I cannot make that admission, because I look upon the difficulty to be insuperable; but in the next place, I conceive that the Europeans being the dominant party, and it being quite impracticable, from the difference in religion and manners, the moral and physical difference between Europeans and natives, and the decisive difference between the conquerors and the conquered, that they should ever act together in cordial co-operation; that their proceedings should be blended together as if they were one people. I conceive, too, that all the measures for the advantage of the Europeans would be both framed and executed at the expense of the natives.

1295. In what manner would the settlers, under the government of the British authorities, influence in any degree to the disadvantage of the natives the framing of the legislative regulations; how would it necessarily follow that because you admitted settlers into that country, the laws and the regulations for the definition of the rights of the people should be less effective than they are at present, with the

the same system of government?—With respect to the general question of revenue settlement, it is found extremely difficult to ascertain, and also to enforce, the rights of the relative parties who are interested in the soil. That difficulty would be increased if a new party were introduced. If an European zemindar were introduced, it would be more difficult still to do justice to the natives who have an interest in the soil. That, I apprehend, would be one of the chief objections to the system.

1296. Supposing that the British settler were placed precisely in the situation of the native landholder, or the person from whom he purchased his right to the land, in what manner would the native cultivator be worse off than he was under the previous arrangement?—There is very great difficulty in ascertaining the rights as it is now. My apprehension is, that besides that necessary difficulty, there never would be fair play afterwards.

1297. In the case of a ryotwarry settlement, the Government deals with the cultivator for his assessment; in that case, would either the European settler or native zemindar have any power of interference between the Government and the cultivator?—It would only be the rights of the cultivator that the European would buy up; but the difficulty would be afterwards, in a dispute between the two parties, to ascertain that justice had been done to the natives whose rights had been bought up. It is difficult enough now to ascertain what those rights are; and, in addition to that necessary difficulty, a native never would have a fair chance against an European zemindar who came in collision with him in this way.

1298. Do you conceive that he would not have the same protection that he has at present, provided it were necessary, as of course it must be, that the European, wishing to possess himself of land for the purpose of cultivation, should possess himself of it by a voluntary sale on the part of the cultivator, or whoever held those rights?—There would be a show of a voluntary sale; but there would be great imposition and violence practised on the natives.

1299. That supposition proceeds upon the assumption that the courts of law are not sufficient to control the European in his contracts with the natives, does it not?—Partly upon that, and partly upon the necessary effect of the new settlers belonging to the race of the conquerors, and those whom they are to dispossess (intentionally for their benefit, still they are to supplant them) belonging to the race of the conquered. That condition of society, where the two never can intermingle to form a joint class, must unavoidably, I think, lead to great advantage on the part of the conquerors over the conquered.

1300. Unless you assume that the Government have acted with partiality towards the members of their own nation, as the conquerors of the country, must you not assume that the administration of the law would protect equally natives and Europeans?—No; for I conceive that the Government of this country would not act impartially, for they do not now act so. All the duties that have been imposed by the Government of this country have been framed so as to favour the Europeans on this side of the world, and to disfavour India. All the instructions from England, with regard to the traffic between the two countries, have had for their object to increase the import of English goods, and to diminish the competition of Indian produce against English. So we find, in the same manner, that regulations are

16 March 1832.

David Hill, Esq.

are passed in India. One of the late Regulations passed by the Bengal government is to favour the British settlers; well intended, no doubt; but it shows the excessive difficulty of the case. They have framed a Regulation to meet the case as well as they are able, in which all the provisions are to favour the European settler at the expense of the cultivator, the expectation being that the cultivator, by such means, will come better off than where his superior, the European, is not so favoured. Matters of mere contract between the two are to be considered as matters of penal obligation on the side of the inferior, but only as a pecuniary engagement on the other side. This, I conceive, must always be the case, on the principles of human nature, while on the one side there is a race of conquerors, and on the other there is only the abject race of the conquered. But even if the Legislature could surmount this difficulty, and enact equal laws, you could not have judicatories which would be capable of enforcing them. Those European settlers would be too strong for an isolated stipendiary magistracy. The settlers in any zillah in Bengal would be able to bear down an European magistrate who corrected their irregularities The magistrates would be exposed, both in England and in India, to so much obloquy and difficulty; their proceedings would be so watched and scrutinized, and would meet with so much obstruction, that nobody would venture to put forth the terrors of the law against evil-doers under such circumstances.

1301. Would not such difficulties as those apply equally to an European settler now; the difference between the two cases being only the facility of his obtaining possession, the power of the law must be the same as it is at present?—At present Government have only to remove a man if they do not approve of his conduct.

1302. Do you then consider the power of removal the great means of the protection of the native?—That and the general character of the measures which are adopted. The tone and tendency of the proceedings of the Indian Government at present is to favour their native subjects; that adopted after the settlement of Englishmen in India would be to favour Europeans.

1303. Have you any knowledge whether, in those districts in which European settlers have established themselves at Madras, the result has been an improvement of the condition of the natives in the neighbourhood?—I do not think that it has been so considerable as to have had any material effect: as far as it has gone it must be beneficial

1304. In the immediate vicinity of those establishments has it been ascertained whether there is an improvement or not?—It has been a substitution of the growth of indigo for some other produce, and there has been a demand for that article, but I am not aware that the condition of the people has improved.

1305. Has there not been a more equal distribution of capital among them, in the payment of wages?—I think that must be the effect of it.

1306. Would not that be an advantage to the native cultivators of the district? —As far as it has proceeded I think it would be so.

1307. Have you heard what the feeling of those cultivators in those districts is with reference to the establishment of Europeans among them?—No, I have not.

1308. You have said that you conceive that there are no means of making the judicial establishments of India competent to enforce the law against European settlers,

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David Hill, Esq.

settlers, provided they established themselves in any great numbers. Will you point out what appear to you to be the principal defects in that system, as applied to that particular consideration in the cultivation of land?—At present there is no authority in the provinces competent to take cognizance of more than an assault committed by an European, or of more than a petty debt on his part. Matters of higher controversy must be brought under cognizance of the Supreme Court at the presidency, whatever the distance may be. With the expense of bringing down witnesses, and employing lawyers, and encountering the other difficulties of litigation before the Supreme Court, this amounts to an actual denial of justice.

1309. Supposing that the power of those courts was somewhat extended, and that the number of Europeans was not much increased, do you conceive that there would be any great difficulty in enforcing the law in cases of disputes between those settlers and the natives?—I can hardly conceive that our countrymen would consent that they should be tried, for their lives, for instance, before such tribunals as can exist in the districts; and if the jurisdiction is not to go that length, then the remedy is very incomplete. So in the same manner with respect to civil controversies, I conceive that our countrymen would remonstrate most outrageously against having property to an unlimited amount liable to be adjudicated by such local courts as can be established throughout the provinces, superintended sometimes by natives and sometimes by young gentlemen of no professional education, and no superior capacity for such duty. I imagine that the scheme never can be accomplished. Then if it were, I think that an European officer, a functionary of that sort, would be unequal to the discharge of such duties; that he would shrink from trying his countryman for his life, and from adjudicating large questions that were to be scrutinized afterwards by lawyers and by Europeans. He would not perform his duty. Besides those difficulties in the ordinary matters of litigation, civil and criminal, I think that, in districts where there were many settlers, the settlers would be a great deal too powerful for the judicature, which would not be able to maintain its own authority.

1310. The chief practical difficulty in your mind appears to be in controlling a number of European settlers of that description?—The difficulty increases with the number; but it exists at present.

1311. You conceive that if facilities were afforded for the settlement of Europeans by the removal of the impediments which now exist, there would be such a number that it would be out of the power of the public establishments to control them?—The evil would be greater in proportion to the number. I do not think in principle it would be different. With respect to the last difficulty which I stated, my opinion is, that if there were a number of settlers, and if they prospered, they would be too powerful for the magistracy of the district.

1312. Have you not stated that your opinion is, that the European settlers would be too strong for the authorities in districts where they settled in any numbers, and that that was likely to occur?—Yes; that would be an objection if it amounted in fact to a settlement of Europeans in the district. If it does not, then the questions have reference only to a fancy.

1313. Do not those difficulties, arising from the number of European settlers, depend upon the assumption of that which you seem rather to deny in the first instance,

16 March 1832.

David Hill, Esq.

stance, that there would be sufficient temptation to induce Europeans to settle there in numbers?—That is true; but that in some measure aggravates the evil which I am afraid of. The way in which the system would operate, according to my expectation, would be, not to induce persons of capital and character to settle, but disreputable settlers, who would do no good to the country, and whom it would be difficult to restrain from evil.

1314. Are you aware whether there have been any cases of disputes between the government and those settlers?—In Bengal a good many; but in Madras I think not; or not so many as to be a criterion of what would happen in the case of the free admission of European settlers in India.

1315. Have there been any cases in which the European settlers have undertaken what they conceive to be the protection of the natives?—There is only one case that I remember, which happened some years ago, that of Mr. Gordon: he wrote a good deal to the Government in a strange way; but I do not remember any other instance.

1316. Is there any sugar cultivated under the Madras presidency?—Yes, there is, in different parts. There is sugar cultivated in the Ganjam district, which is not able to come into competition with the West-India sugar, on account of the price and duties; but it is of excellent quality. In Cuddapah there is good sugar; sugar-candy is manufactured there.

1317. Is there considerable capital employed in the sugar manufacture there?—There was in Ganjam, and machinery was sent out from this country.

1318. Was it manufactured for export?—The object was, that it should be exported to this country; but local arrangements with regard to the demand for rum interfered with it, and it did not succeed. A good deal was lost by it.

1319. Was it supposed at that time that that undertaking would have succeeded, supposing the duties in this country upon that sugar had been placed upon a par with the West-India?—I think I understood so from a person who went to India in the same ship with me.

1320. Are you aware whether they made any attempt to export sugar to any other part of Europe?—This was before the last Charter Act, when the restrictions were very close; and the undertaking had failed completely before the trade was opened.

1321. Will you specify the political considerations which made our Government unwilling to dispossess the ancient zemindars for arrears of revenue?—The political considerations are, that the peace of the country would be very likely to be disturbed by dispossessing a family which possesses the attachment of a large portion of the inhabitants, and has relations resident there; and that, if they were dispossessed, there would be a party in opposition to the new proprietor. An instance of the kind occurred about 15 or 16 years ago in the Ganjam district. An ancient zemindary was sold for arrears of rent. It was bought by a Shroff, a man, I think, employed about the court or the cutcherry, and he took possession of his purchase; but the country was thrown immediately into a ferment. There was a rebellion in the country, and there were one or two regiments of sepoys obliged to be employed to put down the rebellion, which they did with great difficulty. The Government exercised its influence to procure the re-establishment of one of the families,

families, who was not implicated in these disturbances, in possession of the zemindary, so as to restore the country to good order. The same thing is always likely to happen in dispossessing an old family who have any influence in the country.

1322. By an old family do you mean one that we instituted on our settlement in India?—No, one whom we found possessed of an estate, and have allowed to remain in it, as we did, unless when the estate was forfeited for rebellion.

1323. Does the objection, of which you have just given an instance, apply to any of the new zemindars?—No, it does not apply to them. I believe they have all been sold.

1324. You state that there are very great arrears yet remaining?—Yes, there are.

1325. Are those arrears of the new zemindars?—The new zemindaries have all ceased to exist on the Madras establishment; they have all been given up.

1326. Under the Madras presidency are there no zemindaries remaining but old zemindaries?—I think none; there are certainly very few, if any. The districts which were permanently settled are now under a ryotwarry settlement; for instance, Chingleput and Salem.

1327. Can you speak of the zemindary settlement in other presidencies?—No, I cannot, except from general reading.

1328. Is it not the fact, that the zemindars in those districts of the Madras territory are a very different class from those in Bengal; are they not of a more independent character?—Yes; the ancient zemindars are generally so, ready to take the field on any fit occasion.

1329. Was that the case with the original zemindars of Bengal?—I should think it may have been in the hill countries; but in the lower countries probably not.

1330. Might it not have been the case, that the operation of enforcing the collection of the revenue, by dispossessing the zemindars of their estates, might have been a very easy process in the Bengal presidency, and at the same time very difficult in the Madras presidency?—I believe that distinction exists

1331. You stated in your previous evidence that those old zemindaries which you mentioned were all those whom the Company found possessed of their estates, will you explain what meaning you attach to the words "possessed of their estates," do you think that those zemindars were proprietors of the lands over which their authority prevailed, and that they possessed their estates in the European sense of those terms, or that the Company did that which it is supposed they did in Bengal, gave them rights that were, to say the least of them, very questionable before that authority was given?—Generally speaking, the Mahomedan governments have done so; have granted them rights which superseded and destroyed those of their under-tenantry. Having been established for generations as officers of the Mahomedan government, and having received royal grants for their estates, they were allowed by the Company's government to continue in the possession of those rights which had destroyed the rights of the under-tenantry when they first were introduced into the country.

1332. It seems to be pretty generally admitted now, that in Bengal a great mistake was made in assigning to the zemindars an unlimited right in the property of

16 March 1832.

David Hill, Esq.

of the land; do you conceive that the rights, in the case of those zemindars in the Northern Circars, were more distinctly established than they have been in the case of the zemindars of Bengal?—They had been exercised for many years before the government took possession of the country.

1333. In Bengal they had a paramount superiority over the district, and were lords paramount; but though they had that superiority and were entrusted by Government with the superintendence and collection of the revenue in the districts, they were not the actual proprietors of the land till they were made so by the government; do you conceive that that was the case with the zemindars of the Northern Circars?—In the Bengal provinces they were created by the Government; they were not lords paramount before the permanent settlement. In particular cases in the Northern Circars we found great proprietors of princedoms bound only to pay a certain tribute to the general authority over the whole country; and those potentates were recognized by the Company's government, as they had been by the government which went before them. They pay their tribute and nobody takes cognizance of rights under them; in that respect they exercise full authority in their principalities.

1334. Are you acquainted generally with the conduct and operation of the salt monopoly upon the coast?—I am, by having read the rules, and having perhaps had some share in framing them when they were submitted to government; practically I am not. I have never had any charge in the manufacture or sale of salt.

1335. Do you conceive that that manufacture is capable of being much extended upon the coast?—I imagine not. The monopoly could only be extended, at least, by the supply of coast salt to Bengal being extended for the consumption of the Bengal territories.

1336. Supposing that any market required it, either the Bengal or any other, do you conceive that it is capable of much extension?—I have no doubt that the manufacture of coast salt admits of being very much increased.

1337. At present is not the supply to Bengal limited to six lacs of maunds?—I find, from a paper on this table, that a permanent agreement has been entered into between the two governments, that six lacs of maunds shall be taken; the Bengal government had been very averse for years to come to any fixed agreement on the subject, and I was not aware of the fact of their having done so.

1338. How is it usual to transport the salt to Bengal; is it in native coasting vessels, or in vessels that touch at Madras?—Before any limit was fixed to the supply of coast salt, it used to be taken almost exclusively upon the country craft, which brought returns of rice from Bengal. Madras was then very much supplied with rice from Calcutta. Afterwards difficulties were thrown in the way of this supply. The salt agencies in Bengal produced a much larger supply, and there was not the same demand in Bengal for Madras salt. The country craft fell into great decay, as this was the principal article of export. The principal article of import failed also, when the Madras territories, particularly Tanjore, were enabled, by the effects of general tranquillity, to furnish nearly an adequate supply for Madras. The country craft has very much diminished, owing partly to this want of encouragement, and partly to the great increase of English shipping in the Indian seas since the trade was opened. The conveyance has been to a great extent of late years

years upon English vessels, touching on the coast for a cargo of salt, when the limited demand of the Bengal government admits of their being supplied with it.

1339. Are those ships generally loaded with a cargo to Bengal?—Not usually with a cargo. The salt might be apt to injure the cargo, from its dampness.

1340. Will you be so good as to explain whether the European vessels which take the salt from Madras to Bengal are generally vessels coming without cargo from China or the East, or are they vessels that have discharged their cargoes at Madras from Europe or England, and then take in salt to supply its place?—The latter case happens, but the other case more frequently.

1341. Is salt usually taken in ballast from Madras to Bengal?—I have known it taken as ballast, but it is not usually done.

1342. Can you inform the Committee at all what the number of persons employed in the manufacture of salt upon the coast may be?—I have not the least idea.

1343. Is not the range of district along the coast very extensive?—It extends from Ganjam to Tanjore; and I believe from Tanjore to Tinnevelly they manufacture salt for their own use, though they do not export any. There is no manufacture on the Western coast.

1344. Are the manufactures uninterrupted along the whole extent?—They are not uninterrupted, because the most favourable positions are selected; but in every district they manufacture salt. It is a very simple operation, and is performed merely by solar evaporation. They have only to form a sort of tank for the manufacture.

1345. Is not the collection of the revenue derived from the salt upon the same system as the monopoly at Bengal?—I should think it cannot be on the same system, because the agencies in Bengal are contracted within a narrow space.

1346. Is it not delivered, when it is manufactured, into government warehouses?—Not into warehouses, but it is stored, covered over with leaves: it is not put up into golahs.

1347. It is delivered into government charge after it is manufactured?—It is manufactured under the superintendence of government officers, and only with their permission: it is not a private manufacture. The greatest difference between the Bengal and Madras monopoly is in the mode of selling. In Bengal a limited amount is determined by Government to be exposed to sale during the year, and it is sold at different periods, in communication with the persons who are likely to bid for it. In the Madras territories it is sold as the purchaser chooses; he goes to the nearest depôt of salt, and buys what quantity he wants, and the Government have no limitation. The market is free after the first sale at the government stores.

1348. In the first manufacture, does the Government make advances to the persons who conduct the manufacture?—Yes, they do.

1349. Through their agents?—Yes; the collector and his servants. The collector of the land revenue has the charge of the manufacture of salt.

1350. Then the collectors leave the actual manufacture to the natives, and exercise a superintendence over them, to insure the process?—I am not sure whether I am speaking correctly of the first process; whether the proprietor of the salt-pans has not a contract price upon which he delivers it into store; I rather think that is the

16 March 1832.

David Hill, Esq.

the case; that the collector fixes a contract price with the owner of the salt-pan in the place where it is manufactured, and the salt is delivered into store at this price, public servants having superintended the manufacture, so as to prevent pilfering; then the salt is kept in store, and sold to any persons who choose to buy.

1351. What is the whole supply of the export from Madras to Bengal?—The export from Madras to Bengal I have known to be 15 lacs of maunds.

1352. What proportion is that to the whole amount of salt in that presidency?—I cannot say.

1353. Are you at all acquainted with the condition of the natives employed in that manufacture?—I believe they are like other labourers, neither better nor worse. There is no hardship in the manufacture as there is in Bengal, where it is a severe and unwholesome employment. It is not so under the Madras presidency, more than ordinary labour.

1354. Has the manufacture extended much?—I think it has extended: it appears that it has extended with the increased population.

1355. Is the whole of that population in Madras supplied with the Madras salt, up to the mountains?—Entirely, except perhaps where the access is easier from the Western coast; there they may be supplied, as they are on that coast, with salt that is imported.

1356. In the sale of salt at the presidency, is it found that there is any sub-monopoly organized among the purchasers, as it has been stated there is at Bengal?—There is no monopoly amongst the first purchasers at Madras, but there sometimes has been a short supply at the presidency, particularly when unexpected rains have interfered with the manufacture to the usual extent, and then the price has risen. That can hardly be considered the effect of monopoly.

1357. It has been stated, that in Bengal the purchasers at the government warehouses have been frequently known to raise the price in the market, for their own purposes, by purchasing the salt themselves and then withholding it?—I have no doubt that is the case in Bengal, from there being a limit to the sale.

1358. In Madras the Government would seem to provide against that, because any purchaser can come and buy any quantity he pleases?—I believe there is no under-monopoly in Madras.

1359. In what state is the salt generally sold to the retailer; are you aware whether it is as pure then as when it is supplied to Government, or whether it becomes adulterated after it is sold by Government?—I have heard that it sometimes is adulterated, with a view to increase the quantity, but I do not know that that is the fact, and I have not heard much complaint of it. I have been told that to increase the quantity, dirt or sand is sometimes thrown in.

1360. But that has not taken place to such an extent as to render it a subject of general complaint?—I think not.

1361. Supposing it were thought advisable to adopt the suggestion which has been given with respect to Bengal, namely, to permit an exportation of salt from Europe, subjecting the manufacture in India to the superintendence of an excise; do you conceive that there would be any great difficulty in collecting the revenue imposed by that means?—I think there would be very little difficulty in collecting the revenue upon the salt imported from England.

1362. In

16 March 1832

David Hill, Esq.

1362. In the case of licenses and private manufacture, in the place of the present monopoly, what do you think would be the effect?—There would be more hazard of pilfering; the people in the neighbourhood of the manufacture would be supplied by a sort of stealth. I do not imagine that ship-loads could be carried off without the connivance of the public servants. But there would be other difficulties if the salt were manufactured in the way of license, and not as part of a government monopoly. I do not imagine that the manufacturers generally would be able to pay the excise duty. They have not capital enough to pay it before selling the article, and if it were as heavy as it is now, I think the effect would be to transfer the monopoly from Government to a few speculators. I think also that the effect would be, that when there was a temporary deficiency in the supply from England, a most grinding monopoly would then be introduced, because it would be no part of the interest of the dealers to take care that the market was well supplied; but, on the contrary, if there was a limited number, as I conceive there would be, they would rather keep the supply deficient, particularly if they had a heavy duty to pay in advance. I think that the consumer on the average would be supplied at a much enhanced rate, and that there would very often be a scarcity price. I do not see either, if the excise duty were to be as high as the monopoly price, what good end would be answered by substituting an excise system for the present monopoly system. I think the effect would be very injurious to the consumer.

1363. The suggestion proceeds on this supposition, in a great measure, that the monopoly of the Company, both in Bengal and Madras, tends to raise the price of salt to the consumer, and that if the price of salt were lowered, the consumption would in all probability extend: supposing that the profit of the Company were made by its giving to the manufacturer of salt a lower price than would be given by a merchant to a private manufacturer, it appears that if the manufacture were free, and the Government took the difference in the way of duty, it might raise the same revenue, and at the same time lower the price to the consumer?—The manufacturing price at present does not amount to 20 rupees per Madras garce; the monopoly price to 105. There is no reduction in the price of manufacture that could materially affect the selling price, unless it were supposed that the Government, possessing this monopoly, kept a short supply in the market, which is quite contrary to the fact. The government agents are always anxious to extend the supply, and they have no object in enhancing the price, as their's is a fixed price. It does not appear to me that the consumer could reap any benefit from such a change. I think the probability is that he would be exposed to great enhancement of price, and that the constant object of those who dealt in the article would be to create an artificial scarcity.

1364. Upon what principle was the government price fixed?—The particular price I suppose was not fixed upon any principle; but the Madras currency was pagodas in those days, and 20 was a round sum. It was supposed that the article would bear that rate. It was afterwards raised to 30 pagodas.

1365. What is the garce?—Between 9,000 and 10,000 pounds weight, I believe.

1366. Was that price fixed upon the consideration of the cost which was incurred by the Company in the manufacture, and the demand of the district which the manufacture supplied, as compared with the supply which it was advisable for the Government

16 March 1832.

David Hill, Esq.

Government to supply?—It could not be fixed with reference to the cost, as it exceeds it so much. I apprehend that the only principle was that it should be as high as was likely not to interfere with the consumption.

1367. Do you conceive that a private manufacturer would be able to manufacture the salt and sell it at a less price, or at a greater price than 20 rupees?—I suppose not at a less price; but even if the manufacturing price were reduced 25 per cent., that would not make a difference of five rupees out of 105 in the sale price; therefore the benefit to the people would be trivial.

1368. The difference between the 20 per cent., the cost in the first instance, and the 105, at which the government sells the salt, is so great, that there would appear to be room for the substitution of a considerable duty, in case it were carried on by private hands?—If the duty were not to yield 85 rupees per garce of revenue to the government, as it does at present, then, to the extent to which the reduction took place, the sale price might be reduced; but if the excise duty were to be fixed at a rate which would yield the same amount of revenue as the monopoly price now does, then it does not appear that any practicable reduction of the manufacturing price, which does not amount to one-fifth of the sale price, would make any difference to the consumer. It would not be felt. It would all remain with the retail seller. The consumer would reap no benefit from any reduction on that scale.

1369. Does not a considerable portion of that constitute a return for the Company's capital, since the Company make advances for the manufacture of the salt?—They pay the price, but that is less than 20 rupees a garce.

1370. A portion of the difference between that 20 rupees and 105 rupees would be a return for the capital invested, both in the advances and in the purchase of salt, because the advance is not made to the full extent of the purchase; is it?—I am not particularly acquainted with the system of advances; but the Government do pay, I think, as soon as the salt is put in store, the full price to the manufacturer, which is 20 rupees. The whole which the Government require to be reimbursed is for the advance of that sum, which would form a very small portion of the 105 rupees; there does not, therefore, appear much room for the reduction of the sale price, unless the duty is to be reduced.

1371. Do you imagine that the consumption of the article could be carried much further in those territories, provided the price were lowered?—I suppose if there were no duty it would be considerably increased, and in the degree the duty was reduced the consumption would be increased; but it is understood that there is no hardship to the people from the want of a supply of salt. It is strongly urged on the Government by the revenue officers that there is no material hardship; that it is an easy tax, considering how productive it is.

1372. Has it been a steady tax on the whole?—Yes, it has. The Government have not kept the monopoly price at a steady rate. It was first 70 rupees, then raised to 105; then reduced to 70, and then raised again to 105, where it now stands.

1373. Are you aware whether the natives are in the habit of using salt much for purposes besides their personal consumption; for administering it to their cattle, for instance?—I am not aware; it is not used for purposes of agriculture, or for salting provisions.

1374. Is

1374. Is there any other source of supply within the Madras territories, excepting that which you have mentioned on the Western coast?—None, I believe. Salt was on one occasion expected to have been imported from England. There was an apprehension of it many years ago; there was no regulation to prevent it, and protect the monopoly; but I do not know whether any ever was actually imported.

1375. Are you acquainted generally with the system of revenue derived from transit duties within the territories of Madras?—There is now a general inland duty paid once for all; formerly the sayer duty was much more oppressive. There is a duty of five per cent., to which three per cent. is liable to be added as sea duty, making altogether eight per cent. There are a few articles which are subject to a higher duty.

1376. Is that duty applied to all articles?—It is an *ad valorem* duty, but not on all articles; grain is exempt; and with a view to favour the English trader, some articles exported to England are exempt; I think indigo and cotton are not subject to duty, under instructions from England. Generally speaking, all articles are subject to that duty.

1377. Where are the excise duties levied?—At the station from which the goods are first sent the five per cent. duty is levied, and the further duty of three per cent. is added, if the goods are imported by sea.

1378. Supposing goods to be landed at Madras, in order to be transported into one of the inland districts, Balary, or any other district, at what point would those goods have to pay their transit duty?—They would pay wherever they were landed, and then they would go free.

1379. Would the transit be paid in the same sum with the customs duty, or would there be two separate levies for the customs duty and the transit duty?—There would be eight per cent. levied as a fixed sea duty, and the goods would not be liable to further duty though sent into the interior.

1380. Supposing that certain articles were to be brought into the interior to Madras, and taken into some province; where would those goods have to pay?—They would pay the general transit duty of five per cent. first; they would be liable, when they came to the final station, to three per cent. more: the goods would be valued afresh at the last station, and the five per cent. and three per cent. would be calculated according to that last valuation, and the balance due required to be paid up.

1381. So that there would be in that case two distinct valuations; there would be the five per cent. levied upon the valuation made at the station from which those goods set out, and in levying the difference between five per cent. and eight per cent. there would be another valuation, in which there would be levied, not only the difference between five and eight, but the difference, if there were any, between the five per cent. on the first valuation and the five per cent. on the new valuation?—Yes.

1382. What is the duty of three per cent. which you have mentioned?—The three per cent. is to make up the aggregate of eight per cent., which is the total amount of custom duty to which goods are liable.

1383. Then a three per cent. would be liable only for goods coming from the interior to be transported?—Yes.

1384. But

16 March 1832.

David Hill, Esq.

1384 But supposing goods to be transported from one district to another, would there be only one transit duty?—Yes.

1385. Is that levied at the frontier of the province, or at the chief towns?—It is a general inland duty, and may be levied anywhere.

1386. Has not the system of those duties been very much improved since the occupation of the country by the Company?—Very much.

1387. Do you consider it still a source of vexation and annoyance?—Very great; more than any other part of the system of revenue.

1388. Do you imagine that it has a tendency to check internal intercourse?—No doubt it has.

1389. Have you considered still further whether it would be possible to dispense with that, and to substitute any other in its stead?—It would be very desirable to dispense with it, but the Government has nothing to spare. If any substitute could be found, Government would need the substitute and it too. It is very unproductive in comparison with what it takes from the people. It is more expensive than any other branch of revenue. It is extremely vexatious, from the goods being liable to examination at every stage of the journey; the hardship is renewed, although the duty is not. Then it places the trader at the mercy of all the underlings in the department; and that vexation is equal to an additional duty in point of hardship. If it could be dispensed with it would be a great relief.

1390. What is the amount of the duty?—I think at Madras the inland duty does not produce a net revenue of more than 13 or 14 lacs of rupees.

1391. In addition to the regulation, have those duties been very much reduced by the Company?—The frontier duties have been very much reduced.

1392. The question implied an inquiry whether the general duties substituted by the Company were lower than the separate duties levied under the former government?—Much lower than the aggregate of the frontier duties, certainly.

1393. Has the attention of Government been latterly at all turned to the operation of those duties, and to any means of substitution?—It has repeatedly been turned to it, more particularly about 15 or 16 years ago; and the subject constantly comes under their notice in a partial way.

1394. Are there any documents printed, to which you would refer the Committee for particular information upon that point?—I am not sure that the document which I would refer the Committee to has been printed. A committee sat in Madras upon the Custom Regulations in 1817 or 1818, and there was at that time a very able report drawn up upon the subject, extremely unfavourable to the inland duties.

1395. Are you at all acquainted with the revenue derived from the Post-office?—At Madras it is somewhere about two lacs of rupees.

1396. Do you conceive that the post-office establishment is upon as good a footing as it can be placed upon?—It is better at Madras than elsewhere; the mails are conveyed at a faster rate. I do not think it is possible to put it on a better footing. There is a want of good roads, and a want of horses, they not being used for the agricultural purposes of the country. The mails are, however, transmitted with perfect regularity, and with very considerable expedition. An express is conveyed at the rate of five miles an hour, which is as fast as the mail

was

was in this country within the last 50 years; and the ordinary post, when the runners are overloaded with newspapers and letters, is conveyed at the rate of four miles an hour. I do not think it could be conveyed faster. The rates of postage are high, compared with this country, so that the revenue would not be likely to be increased by any alteration of the system. The post-office is not at present used by the natives. If the wealth of the country were increased, they probably would use it. As it is, they send their communications by their friends.

1397. Do you conceive that there is a greater number of separate agencies for the management of that revenue than are required?—A local agency is necessary; but at Madras it is upon the simplest possible plan. It is superintended by the collector of land revenue, and he has a writer at each station where the mail is received. I do not think it could be simplified in any way.

1398. Is there a postmaster at the presidencies?—Yes.

1399. And he has the superintendence of the post-office?—Yes.

1400. Do not you think we might combine the whole of the postmasters under one general post-office at Calcutta?—I should think we could gain nothing by that, because our Madras post is much better managed than it is at Bengal. It is not always the case that the system which answers well at one place will answer well at another. At Madras a remarkably intelligent postmaster, some years ago, improved the rate of travelling by various means. Amongst other improvements, he arranged that the runner who carried his burden in one direction outwards, should come back with another burden; that he should not travel half his road empty handed; by which the establishment was reduced, and at the same time the stage was shortened. In communicating with the postmaster at Calcutta upon that point, he said that the number of branch roads in Bengal made the plan impracticable there. The return mails, he said, did not come in so as to suit the arrangement. I do not imagine that any of the systems would be capable of much improvement. If the country were enriched, and there were more commercial intercourse, they would be so. The government despatches are all conveyed post-free; and as they exceed very much in bulk all the private communications which are sent by post, that may be considered, in reality, as so much revenue.

1401. What distance do the post-runners go in a day?—Their stages vary according to the road they have to go; in Madras from five miles to near ten in some cases. Where the distance is longest they do not return.

1402. Is it at all the practice to make them carry other articles besides letters? —They carry newspapers.

1403. Do they carry parcels?—No, there is a bangley, a box-mail, for that purpose, with a different rate of postage on all roads, I believe, in Bengal, and on the principal Madras roads; and the parcels are sent in that way.

Martis, 20° die Martii, 1832.

The Hon. John Stuart Wortley, in the Chair.

III.
REVENUE.

20 March 1832.

Colonel *J. Munro*

Colonel JOHN MUNRO called in and examined.

1404. Colonel Munro, will you inform the Committee how long you have been employed in India, and up to what period?—I went to India in 1791, 41 years ago.

1405. And at what period did you leave it?—I left it in 1825.

1406. What was the department in which you were employed during your residence in India?—I held both military and civil offices; I was principally employed in the military department, and afterwards I was resident in Travancore and Cochin.

1407. How long did you remain resident in those territories?—About ten years.

1408. What was the relation of the sovereignty of those countries to the Company at the period when you went there?—They were connected with the Company by subsidiary treaties of alliance.

1409. And they remained in subsidiary alliance with the Company up to the period at which you left them?—Yes.

1410. And are so at present?—They are. But there was for some time a peculiarity in the situation of those states when I was resident; for, from particular circumstances, I was obliged to take charge of the internal administration, both of Travancore and Cochin, in all its departments, and act in fact as dewan, or minister, for upwards of three years.

1411. Now that being the case, the Committee conceive that you must have been conversant with the management of the revenue of those territories?—Of course; I had the whole superintendence of the Revenue department.

1412. Did the collection pass through your hands, or had you merely the superficial superintendence of the agents?—I was in fact the collector of the revenues.

1413. Now upon what system was the assessment made through the territories of Travancore upon the land?—The land-tax is fixed in Travancore. A revenue survey was made many years ago, which is the foundation of the assessment of the land-tax. Every 10 or 12 years a fresh survey is made, in which alterations are inserted, according to the lands brought into cultivation, or those fallen into a waste state; the rent of the lands is fixed, and the greatest portion of them belongs to private individuals, although a considerable part belongs directly to the Government, arising principally from sequestrations made at different periods.

1414. Those periodical surveys were the established habit of the native government, were they?—Yes.

1415. In consequence of that, did you find that the records relating to the land assessment were correct and faithful?—They were not to be entirely depended upon, because

because they were subject to alterations by the revenue servants, from the influence of improper motives; but they might, in most cases, be corrected from other sources, and, with occasional exceptions, they were fit in general to be depended upon.

1416. To what extent were those surveys carried; did they proceed so far as to be actual detailed surveys of the different portions of land held by the cultivators?—The original survey comprehended the whole of the country, both waste and cultivated. The occasional surveys included the cultivated lands only.

1417. But did it proceed so far into detail as to obtain a correct account of each individual portion held by each cultivator, or did it merely survey the portions of land as they might be allotted for the farming of the revenue?—Every field, with its rent, was inserted in the survey, and its proprietor.

1418. Then there seems to be, according to that account, a very strong analogy between the surveys executed under the native government of those territories, and those which have been executed in the ryotwar settlements under the government of Madras?—Certainly; this was entirely a ryotwar settlement. At the commencement of every year there was an account opened with every individual ryot; the lands he held, with their rents, were entered, and the several payments that he made in the course of the year were also entered, and receipts granted for them.

1419. Was that the form of the system of collection throughout those territories?—Yes it was.

1420. In all parts?—In all parts. I may state that the variety of tenures by which land is held is very great. Some are held at a very low rent indeed, not amounting to five per cent. on the produce.

1421. When you talk of rent, do you mean the sum paid to Government, or the sum paid to the landlord?—The sum paid to Government.

1422. That is to say, the assessment on the land?—Yes, the assessment on the land to the Government. Lands held on those tenures were often sublet and mortgaged at the pleasure of the proprietors. Lands, the property of the Government, were assessed according to the quantity of seed sown upon them, and the rent amounted in general to two, three, or four times that quantity, according to the quality of the soil.

1423. Then the cultivator was considered to possess the fee-simple property in the land so long as he paid his tax to Government?—The proprietors were in that situation. Their lands were saleable and transferable by different modes, either by mortgage or by absolute sale, as in any country where the absolute property in the soil is recognized.

1424. Could you inform the Committee what was the rate of assessment upon that system at the time that you were resident in Travancore?—I have mentioned that it was very various. In general the government assessment was two, three, or four times the amount of the seed sown. These were the assessments on the lands which were the absolute property of the Government.

1425. Now, with reference to the quality of the land, taking an average of that quality, what proportion should you say that bore to the amount of produce obtained from the seed?—I consider it generally rather a light assessment.

1426. Could you at all state what proportion it bore to the produce of the land?—In some of the richer soils the produce was, I suppose, about 15 times the quantity

20 March 1832.

Colonel *J. Munro.*

quantity of seed, or from 15 to 20. On an average I should suppose at least from eight to ten times the quantity of seed sown.

1427. Then in that case the assessment would not amount to half?—No, not to half; but this was land the immediate property of the Government, not the property of individuals; because, as I have stated, the land the property of individuals paid in many cases not five per cent. on the produce.

1428. Under those circumstances, was it found that the revenue of Travancore was easily collected?—There are a variety of other points to be considered with respect to Travancore. The land assessment of that country was always very low: a ryotwar system, such as I have described, existed from ancient times, and the rajahs were never able to increase the rents collected from that source, but in Travancore there are a great many rich productions, such as pepper, cardamum, beetle-nut and teakwood. All these were monopolized by the Government, and the inhabitants were obliged to supply the whole of them to the state at very low prices. A separate system of management for the collection and sale of those productions was established, and the regulations of Government regarding them were enforced with extreme rigour. The profits derived from those sources were in some degree a compensation for the lowness of the land revenue.

1429. They were then on the footing of monopoly?—Most strict monopoly, maintained by very cruel and rigorous regulations, by death in some cases.

1430. But as far as the land assessment was concerned, was it found that the ryots paid easily and punctually the amount of their contributions to Government? —The system of the revenue management of Travancore was so exceedingly defective, and the revenue servants were so very corrupt, that large balances of land revenue stood almost always in the accounts against the several districts, although on examination it was found that the ryots or the inhabitants had generally paid up their rents with punctuality. Had there been an efficient body of revenue servants, I have no doubt whatever but that the rents could have been collected with the utmost facility and promptitude.

1431. You suppose then that the collections were detained by the agents of the different districts, in their way to the government state?—It was proved so on examination of the accounts.

1432. Were those balances ultimately recovered in many cases?—When I took charge of the government a very large balance of this description stood upon the revenue accounts, and in trying to investigate it, those accounts were found to be so intricate, that after a very laborious examination of them, we could not arrive at any definite results, and the Government were obliged to remit the whole balance. Nearly all the revenue servants who had been in office while that balance accumulated were either dead, dismissed from their situations, or reduced to absolute poverty by confiscations of their property.

1433. Besides you, were there any Europeans concerned in the collection of the revenue?—Not for two years. After the end of two years the duties were so laborious that the Government were induced to allow me an assistant, who was placed in the management of the Cochin Rajah's territory.

1434. His duties, however, were confined to the district of Cochin?—Yes, under my general superintendence.

1435. After

1435. After you had obtained that assistance, did you find that it was in your power to render the collections more punctual?—In the course of my administration very great changes were introduced into all the departments of the Government. Almost all the monopolies were abolished, and the trade in the several articles which constituted those monopolies was left free to the inhabitants. Two monopolies only were retained: one of pepper; and the price paid to the inhabitants, which under the old government, was 15 rupees per candy of 500 pounds, was doubled; and the monopoly of tobacco, which being an article of luxury, and affording an important amount of revenue, it was considered still requisite to retain it. The collection of the land revenue was very materially improved, and the rents were generally punctually paid. The whole revenue of the state, by those arrangements, was materially increased, I may say from about 28 lacs of rupees to 35 and 36.

1436. Now were those monopolies abolished without any substitution, or did the Government provide itself any compensation for the loss of the profit on those monopolies?—The immediate compensation for those monopolies was an export duty, imposed upon those articles of produce which they had included.

1437. But was there no duty laid upon the cultivation of those articles after the abolition of the monopolies?—No, no additional duty whatever. Many of them, besides being articles of monopoly, were previously subject to a land rent; for instance, the cocoa and areeka, or beetel trees, are assessed in the land rents imposed upon the soil.

1438. Then under the former system the Committee is to understand that there was an assessment upon the land producing those articles, and there was the profit on the monopoly, from the sale of those articles, accruing to the Government also?—Yes.

1439. Now when the monopoly was abolished, there remained then, according to your account, nothing but the assessment on the land, and the duty on that portion of the produce which was exported?—Only that.

1440. Was there any considerable consumption of those articles within those territories?—There was certainly a consumption, but the principle part of them was exported. There was very little consumption of pepper in the country, the principal part of all the articles was exported.

1441. The export duty then did constitute a part of the compensation for the loss?—Not a considerable one, because it was found expedient, in order to promote the internal prosperity of the country, to fix that duty at a low rate.

1442. Now was there any difference in the rate of assessment which was fixed on the lands subject to that cultivation, and the lands subject to the ordinary cultivation of the country; were they assessed at a higher rate?—There are different qualities of land appropriated to those productions. The lands on which the cocoa nut and areeka tree grow are generally high lands; the rice lands are flat, and overflowed with water. The same rights of private property which apply to the grain lands are also extended to those which produce the other several articles, of which the monopolies were abolished. Every six or seven years all the trees in the country were numbered, and the rents of them inserted in the ryots' accounts, according to the various tenures of the land on which they grew. Some were

20 March 1832.

Colonel *J. Munro.*

were as low as five per cent. on the produce; others were, like the grain lands, much higher.

1443. When you talk of the grain lands, do you mean simply the rice?—Principally rice.

1444. Now was there a distinction made in the assessment of those territories which are found in the assessment under the Madras territories, between the lands artificially irrigated, and those which depend on the moisture from the heavens?—The lands are principally irrigated by the periodical rains, or by channels drawn from the numerous rivers and streams that intersect the country.

1445. There are periodical rains in those territories sufficient for irrigation, are there?—Yes.

1446. Artificial irrigation then is not required?—In the Southern part of Travancore there is a system of artificial irrigation, arising from a river, across which there is a very strong dam or artificial mound constructed, which raises the water and gives a command of it for the irrigation of a very considerable tract of land.

1447. Does that work confer a considerable additional value on the lands?—Yes, it does.

1448. How are the village constitutions to be found within those territories?—In that respect they differ very remarkably from the territories on the coast of Coromandel, because the inhabitants live almost entirely in separate houses. There are villages certainly, but the village arrangements of revenue are very seldom found similar to those existing in the Carnatic.

1449. Do they exist at all for other purposes than those of revenue?—I am not aware that they do.

1450. In the evidence of Colonel Briggs, with whose name you are probably acquainted?—Yes.

1451. He says, "That he conceives that in the South of India, not conquered by the Mahomedans, particularly in Malabar, Canara, Travancore, and the Southern Carnatic, the waste lands belong to the village communities, and that this right is fully recognized in those countries." Can you make any remark as to the correctness of that statement?—With regard to Travancore, all lands belong to individuals; either to the Government, arising from confiscations from individuals, or to particular individuals, including waste lands.

1452. Then the statement of Colonel Briggs, that those waste lands belong to village communities, would not be quite a correct statement of the fact?—I do not think, as applicable to Travancore, that it is.

1453. Now of what rank generally are the proprietors of the land within those territories; are there any who hold large estates, or is the land very much subdivided among the individual cultivators?—The principal original proprietors and those who possess lands at the lowest rent are Brahmins and Nairs, of old family.

1454. Are they landholders to any considerable amount?—Some are, especially the Brahmins; but then a large portion of the lands belonging to this class of men has been alienated at different times, sold or mortgaged.

1455. But there still exists a body of considerable landholders within the country?—Yes.

1456. Now

1456. Now what have you generally found to be the condition of the cultivators under those landholders?—The people of Travancore and Cochin had long been subject to so very oppressive a system of government, that almost all classes of the inhabitants were reduced to a state of poverty.

1457. Should you say, that the population which were subject to those landholders were affected by those causes in a greater degree than the population of the rest of the country?—The causes generally applied to all classes of people.

1458. Then you would not say, from your experience, that those landholders were particularly oppressive towards the cultivators of those districts?—I should say, certainly not.

1459. What was the character of the government, as it was organized in those territories, when you were acquainted with them?—Most oppressive. There was a chain of officers, from the dewan to the lowest inhabitant, exercising all the powers of government, military, judicial, civil, revenue, without any check or control whatever; and besides this, several of the subordinate classes of the inhabitants where subject to a very heavy capitation tax, formed into companies of about 100 men each, under a separate officer, and obliged to perform all kinds of work for the benefit of the government, at the pleasure of the revenue servants. The whole of this system of government was changed while I was in administration, with the consent and approbation of the Rajah.

1460. Would you describe what the system was which was substituted in the place?—The capitation tax was abolished, and the lower classes were left entirely at liberty to employ their labour according to their own discretion. This chain of revenue servants was abolished, and in every district a separate officer was appointed for the collection of the revenue, having no other duties but those of the revenue; and a judicial establishment was introduced for the administration of justice.

1461. That is to say, that they were placed very much on the system adopted under the Company's government?—In some respects analogous; acting entirely under the Hindoo laws.

1462. The population of those territories is almost entirely Hindoo, is it not; there are very few Mahomedans?—There are many Mahomedans. The government is Hindoo; and the principal part of the population consists of Brahmins and Nairs, who are Hindoos; there is also a very industrious class of Mahomedan population, called Mopilas. They are found in greater numbers in the Company's districts of Telicherry and Cananore; but they are also settled in Travancore.

1463. The settlements of the revenue in those districts were considered to be renewable in amount at the end of each 10 years, at which you mentioned the survey was made?—The settlements were invariable. In this respect there is a distinction between the lands the immediate property of the Government and those belonging to individuals. The Government were, in the former case, in the situation of a landlord or private proprietor, and might increase the rents, but they very seldom were increased, and the settlements might be considered in fact as permanent. Whether private proprietors were in the habit of altering the rents which they received from their tenants I am not able at this distance of time to state.

1464. Now in the case of the large proprietors whom you mentioned a short time since, was the assessment made upon the landholder, or made upon the cultivator holding

20 March 1832.

Colonel *J. Munro.*

holding under him?—It depended upon the tenure by which the inhabitant held his land; if it was alienated by mortgage, the person holding the mortgage paid the government dues.

1465. But supposing the proprietor to be in the actual possession of his own estate, was he the person assessed or the cultivator?—I believe in general the proprietor.

1466. That is to say, that the estate of each proprietor was surveyed in detail, but he was assessed for the whole value of the estate?—For the whole, unless he had alienated it by mortgage.

1467. For the whole of that part of which he was in possession?—Yes.

1468. Now, was it found that there was much interchange of landed property upon this system within those territories?—A good deal. The most extraordinary divisions of mortgage prevailed, sometimes part of a field or a few trees were mortgaged; in this way extensive changes took place.

1469. And did that produce any very great amount of litigation?—When I arrived at Travancore there was very little litigation, because there was no redress whatever. After the establishment, however, of the judicial system, a considerable number of suits took place, for every possible reason.

1470. And was that system which you have detailed, of very small mortgages, found to produce great intricacy in those suits?—I should suppose it must have been the case to a certain degree. It was more inconvenient in the revenue accounts, by increasing the number of revenue heads.

1471. That is to say, every person who possessed a mortgage on any portion of a property, however small, was the person responsible for the revenue on that portion?—Yes, for the revenue.

1472. So that if there were separate trees, as you have mentioned, mortgaged upon different parts of the estate of a considerable landholder, the assessment on that estate was to be collected from all those mortgagees in detail?—Yes, from all the mortgagees. But all those changes of possession were carefully inserted in the revenue accounts.

1473. Were they in the course of multiplying at the time you were there?—No; I could not perceive any material change.

1474. Were those mortgages often foreclosed?—Yes, frequently. This was allowed by the customs of the country.

1475. Should you say that the greater portion of the landholders were subject to a large amount of mortgages of this description?—I believe, from information I acquired, that mortgages were very extensively effected.

1476. And that seems, from your account of the revenue system, to have been rather the result of their own imprudence and extravagance, than of any extortion on the part of the revenue system?—I should say from both; because when the Government bore so heavily on the people, they were not able to meet the exactions to which they were subject, and were obliged to mortgage their estates. The revenue assessment was extremely moderate, but in every branch of the Government the revenue officers made such heavy exactions from all classes of the people, that they were reduced to one general level of poverty; nor were the public officers able

able to enjoy the fruits of their rapacity for any time, for the Rajah's government generally found some pretexts for the confiscation of their property.

1477. Now in the sales of land can you state at all what was the average years' purchase at which lands were exchanged in that manner?—I cannot exactly state this from recollection at present.

1478. Now in cases where Government was not the immediate landholder and proprietor of the land, can you state at all what was the proportion which the cultivator paid to the intermediate landlord out of the produce of the land, as compared with the proportion paid to government?—I should think pretty much the same. For instance, if the Government, from any crime committed or imputed, sequestered the lands of an individual, they were entered in the revenue books, with the rents paid for them by the tenants, and those rents were afterwards paid direct to the Government; and the rents paid to private proprietors by their tenants were much the same with those paid to the government for its own lands.

1479. In case of a default of revenue what steps did Government take towards the landholder, for the purpose of recovering the amount?—Under the old system the measures adopted were very rigorous.

1480. But after the reform effected by you?—Proceedings were commenced against them through the judicial authorities.

1481. Was it by sale of the estate?—By sale of personal property before the estate, or finally by sale of the estate, which generally was prevented by their paying the rents due.

1482. Now have you been acquainted at all with the system adopted and in force in the Company's territories at Madras?—No, I was never employed in the Revenue department there. I have of course seen and inquired a good deal on the subject.

1483. But are you generally acquainted with the ryotwar system of revenue at all?—I have had occasion to observe the working of that system.

1484. Have you been, in the course of your employments in India, generally conversant with the ryotwar system of assessment, which has prevailed in the territories of Madras?—I have seen the effects of that system in several parts of the Madras territories, especially under the late Sir Thomas Munro's management in the Ceded Districts and in Canara.

1485. Now from what you have seen of that system, as exhibited in the experiment in the native states of Travancore and Cochin, should you say that you considered the system as capable of execution by native agency, and beneficial, if properly executed, to the country in which it is adopted?—The system involves very extensive accounts; but I consider it quite practicable, and certainly beneficial to the people; that is, under an able and efficient collector.

1486. After the first introduction of the system, do you conceive that it requires any very uncommon exertion of abilities to keep it in proper execution?—I should consider that the practical execution of the system would be facilitated and become easier every year.

1487. Did you find that latterly, with the native agency in the territories in which you were resident, that the system was executed with a tolerable degree of precision?—The Travancore government, in giving up its monopolies, was obliged

to

20 March 1832.

Colonel *J. Munro.*

to collect the whole of the land revenue; and although it had to struggle long against difficulties, from the want of integrity in the revenue servants, still the collection of the land-tax was made every year with more facility and exactness, and the nominal balance of arrears against the people regularly decreased; for those arrears were found, on investigation, to have been always nominal, as the inhabitants had paid up the rent to the day.

1488. Are there any differences with which you are acquainted, between the systems as prevailing in those native states and under the Company's government, which would be of any consequence in the execution of the ryotwar system?—Excepting in Tanjore, where there is a meerassy system, which may be considered as one of property in the soil, the amount of rent, in proportion to the produce of the land paid by the ryots to Government, is generally much higher throughout the Company's territories than it is in Travancore and Cochin. I have not, however, perceived any circumstance in the situation of these countries calculated to render the introduction of a ryotwar system inexpedient.

1489. Were you ever present at all at the operation of surveying for the assessment in the territories of Travancore?—No; these surveys are made by natives, who are expressly appointed to that duty; but every possible check that the Government could devise was adopted for the purpose of verifying them.

1490. Had you ever any means of personally observing the manner in which they executed their survey?—The original land survey was the foundation of all succeeding ones, which merely noted the changes produced by time and the labours of the people. The surveys of the trees were made by persons appointed by the Government, and accompanied by the inhabitants themselves, when all the taxable trees were numbered and divided into classes, according to their quality. Checks were established to secure the accuracy of those surveys.

1491. And you conceive that the natives, if properly superintended, are quite capable of executing those duties effectually and accurately?—From the long habits of corruption and oppression in Travancore, the public servants of every description required a very vigilant superintendence and control.

1492. And was the system of Sir Thomas Munro to employ natives in those operations to a very great extent?—Yes; they have certainly great intelligence and capacity in the performance of those duties, but require a watchful superintendence.

1493. You mentioned the cultivation of pepper among the articles of produce of that country?—Yes.

1494. Are there any other articles of spice, such as cinnamon?—Yes, wild cinnamon and nutmegs are produced. Coffee grows exceedingly well.

1495. Do you consider that the spices produced in that country are as good as the spices produced in the Eastern islands?—Not at all to be compared with them.

1496. Do you think they would be capable of improvement to that degree?—No.

1497. You would not imagine then that the spice cultivation of Travancore, and of the Southern extremity of India, could be made to equal the cultivation of the Eastern Islands?—With the exception of pepper, certainly not: the finest pepper in the world is grown on the Malabar coast.

1498. Then

1498. Then if the pepper is grown of such very superior quality within those territories, is there any obvious reason why the other spices should not be also capable of such improvement?—Yes; they require a different climate.

1499. They are grown very much in the same climates in the Eastern islands, are they not?—These climates resemble each other with respect to rain, which is essential to the growth of all the spices: in other points there may be a difference.

1500. Now, for instance, in Sumatra the cloves and pepper are grown almost in the same situation, and the nutmegs?—Yes.

1501. But in those islands the pepper is grown almost in the same situation, or same climate and latitudes as the other spices, is it not?—I believe it is so at Sumatra and Java, but I do not think there is any pepper in the Moluccas.

1502. But in Java it is so?—Yes; but Java is not the native country of the clove and the nutmeg.

1503. How is that country supplied with the article of salt?—Salt is now a monopoly of the Government. A sufficient quantity for about six months' consumption of the inhabitants is manufactured in the country, the rest is imported from Bombay, and a great deal is brought by the Arab ships from the Gulph of Persia.

1504. Is the salt manufactured within the territories made upon the same principle as the manufacture in Madras?—I believe so: merely by evaporation from the sea-water in salt pans.

1505. Does the Government derive a large profit from the monopoly?—Yes, it does. It is one of the monopolies that has been retained by the Government, put, however, upon an improved footing, by which it is retailed to the people at a lower price than it formerly was.

1506. How is that price, as compared with the price of salt within the Company's territories at Madras?—I rather think much cheaper.

1507. Have you any means of comparing at all the amount of consumption per head in those territories, compared with the same amount in the Company's territories in Madras?—No, I have not.

1508. Have you any documents which would enable you to make such a comparison?—None here.

1509. You mean none in England?—None in England. The calculation was made in Travancore, but I have not preserved it.

1510. The consumption then is in no part supplied by any of the salt companies from Madras?—It is the object of the Government to produce salt wherever they can find it cheapest; but practically I believe it is generally brought by Arab vessels, or procured from Bombay, because the communication by sea is so much easier.

1511. Is there any opium grown in that country at all?—No, none.

1512. Any indigo?—Yes; the indigo plant grows naturally in abundance; and I wished to give encouragement to its culture, but when I left the country they had not succeeded in bringing it to any practical state of advancement.

1513. But there is every reason to suppose, if the culture is properly undertaken, it will unquestionably succeed, is there not?—Oh unquestionably. It grows with great luxuriance.

III.
REVENUE.

20 March 1832.

Robert Alexander, Esq.

ROBERT ALEXANDER, Esq., called in and examined.

1514. MR. ALEXANDER, in what capacities have you been employed during your residence in India?—Chiefly in the Revenue. I was at an early period of my service employed in the General department, as secretary, at the factory at Vizagapatam, until the abolition of the chiefships, by Lord Hobart, about 1794.

1515. How long were you in India?—Between 28 and 29 years.

1516. And how long is it since you returned?—Between 13 and 14.

1517. Were you ever employed in the actual collection of the revenue?—Yes, but in a very circumscribed manner.

1518. In what district?—In a part of the oldest possession of the Company; always either in the districts of Vizagapatam or of Ganjam.

1519. Now at the period at which you were acquainted with those districts, what was the system of assessment?—With the exception of the small districts, called the Havellies, it was all under the ancient zemindars.

1520. In short, Vizagapatam is part of the Northern Circars?—Yes, it is, as well as Ganjam.

1521. Those provinces, I believe, still remain under the zemindarry system, do they not?—Yes.

1522. That system was a permanent arrangement for the revenue between the Company and the great landholders of the district?—Yes, it was. The system was permanent in its *form* as far as the ancient zemindaries were concerned, but not in the amount of the jummah, which was liable to fluctuation at every renewal of settlement until the permanent settlement in 1801. But the Havelly lands were parcelled afterwards, and made into small hoondas, answering to the name of pergunnahs or small zemindaries.

1523. Now the zemindars within those provinces were chiefs, who were found by the Company in possession of extensive rights over portions of the territory, were they not?—Yes, they were.

1524. Do you conceive that the rights of those chiefs were established, so far that they were to be considered the actual proprietors of the land over which their authority prevailed; or do you imagine that they were under the native government, before the Company interfered, merely as hereditary managers of the revenue for the government?—I should say, that previous to the possession of the Company they had usurped the authority of landholders, and had by prescription become so. But that originally they were, under the Mogul government, as farmers or managers of the revenue.

1525. Then you would say, that the Company, in dealing with them as the acknowledged landholders of the provinces, did no injury to the rights of the persons who held under them?—Why no, in most cases not. The zemindar of Vizianagram must certainly have been considered by the Company, from the mode of their conduct towards him, not only as an independent landholder, but as a petty sovereign, whom the Company assisted with troops occasionally, to subjugate the smaller zemindaries, over which he had extended his authority.

1526. But in respect of his right of property in the soil over which his authority extended, he was treated on the same footing with the other landholders?—Yes, entirel

entirely so; like the rest, his jummah was subject to fluctuation of amount on the renewal of every settlement.

1527. Now are you at all acquainted with the permanent settlement of Bengal, by reading or by other means; are you acquainted with the details of its operation?—To a certain degree, not sufficiently well to give decided information on the subject.

1528. As far as you are acquainted with it, you would say there is a strong analogy between the settlement of those provinces in Bengal and the settlements effected by the Company with the zemindars in the Northern Circars; is it not so?—Yes, I should.

1529. Now, in the permanent settlements of Bengal it has been supposed that the Company conferred on the zemindars of those provinces rights to which they had not, in fact, any original claim as proprietors of the soil; do you imagine that those rights were more clearly established by prescription in the Northern Circars than they appear to have been in the province of Bengal?—I do not think that they were.

1530. Do you imagine that the authorities were sufficiently provided with information as to the precise extent of the rights possessed by those chiefs at the time that the settlements were made, to warrant the acknowledgment of property in the soil on their part?—Why I doubt whether they were; I think not; they were not very minutely investigated.

1531. Does your knowledge of those countries lead you to believe that there did exist any rights in the ryots or cultivators of the country, which were omitted by the Company?—I confess I did not, at the time of forming the permanent settlement, enter into any strict examination of the exact rights of the ryots. The zemindars had long been considered *de facto* proprietors or lords of the soil in the zemindaries, and the Company, in the same capacity, in the Havelly lands.

1532. Now, what was the regulation established for the recovery of the assessment, in case of default, from the zemindars in those districts; was it by sale of their estates, or by personal attachment?—Both by personal attachment and sale of lands.

1533. Were there no instances of sales of estates for arrears of revenue?—Never, until the formation of our new permanent settlement, according to the Bengal system, in the year 1801, I think.

1534. Well, under that system, what was the regulation established for the recovery of the arrears of rent; was it by sales of estates?—By sales of estates, or portions of the estates; but I beg to say that I never acted as collector under that new system. I framed the settlement, made reports of the settlement of two of the districts; but while that report was pending, and before it was carried into effect, I was made a judge of the zillah, and went out of the Revenue department.

1535. Then perhaps after that you were not so much acquainted with the revenue districts?—I was afterwards at the board of revenue.

1536. Well now, what was the result of the settlements in those countries, as it affected the possession of the lands in the hands of these chiefs; was there much sale of property for the arrears of revenue, or was the revenue punctually collected?—Very little sale of property among the old zemindars; but a change of property in

20 March 1832.

Robert Alexander, Esq.

in the newly-established zemindaries, that is the Havelly lands which I mentioned, which were converted into zemindaries on the permanent settlement.

1537. The Havelly lands are government lands, are they not?—Government lands.

1538. Can you say at all what the condition of the cultivators is under the new system; subject to these chiefs, are they liable to great exactions and oppression?—I believe not.

1539. The apportionment of the assessment among the cultivators is left entirely to the zemindar, is it not?—Yes, I believe in the Circars it is.

1540. Then you have no reason to suppose that in the distribution of that assessment among his cultivators, the zemindar usually acted with any injustice or oppression?—I believe not; I have no reason to suppose it.

1541. Were there not many complaints from the cultivators?—Not many during the time I acted as judge.

1542. What proportion did the permanent assessment effected in those provinces bear, do you suppose, to the produce of the land; have you any means of knowing?—I have left India some time now, but I ought to have the means of knowing that; that is to say, in the settled countries. I draw a distinction between the old and the new zemindaries; the principle, I believe, established was, that the zemindar's clear profit was one-tenth of the assessment; but the assessment varies much in its proportion to the gross produce of the land, and I am not able to state, at this distant period, what may be an average proportion.

1543. Did the lands in those provinces change hands much among the different proprietors?—Among the old-established zemindars I think not; in some of the newly created zemindaries, the land, as I mentioned, changed hands, but the old ones remained, and, I believe, still remain the same.

1544. Do you consider that that was owing in a great measure to a kind of family pride with respect to those possessions, or was there any difference in the management of the estates held by the old holders, and those held by the newly constituted holders?—Probably an attachment of the inhabitants to the form of management, and to their zemindars.

1545. Which led the old proprietors to preserve their estates as long as they could?—Yes.

1546. Do you know upon what principle the amount of assessment was fixed at the time that the permanent settlement was made?—The principle of the partition?

1547. At which the amount of the assessment was fixed; how the Company determined the amount which they would assess on the landholders?—In my case it was from an average of years; from an average of the gross produce and the revenue, for a long course of years, and survey and report of the then state of the country.

1548. To what extent did that survey go; was it a mere estimate, from the records which were found, of the produce of the country, or was it a survey of the surface of the district?—In some small portions of the country it was an actual survey of the soil; a measurement of the land; a native survey.

1549. But generally it was confined to a survey from the records, was it?—Yes, from the records of the different villages; from the native records; not from the Company's records, but from the native records of the villages.

1550. Did

1550. Did the village societies prevail through those districts?—Not in the correct and efficient form in which they are described by Sir Thomas Munro, in the Ceded Districts; there was not that complete village polity that he there describes. There were heads of villages and officers, but not by any means such regular and efficient establishments as are described in the Ceded Districts.

1551. In the collection of his revenue, did the zemindar treat with each individual cultivator, or did he treat with these village officers?—He was in the habit, in general, of renting by villages to the head inhabitants themselves, or, sometimes by pergunnahs or small districts to brahmins or others; and whoever collected the immediate revenue of a village, did it through the means of the head man and curnum.

1552. Do you mean then that the zemindar farmed his revenue to officers under him?—Yes, in almost all cases in the old zemindaries.

1553. And that those officers dealt with the village communities for the payment of the assessment?—For the payment of the assessment.

1554. The cultivator, therefore, had only communicated with the zemindar through the village communities first, and then through the farmer of the revenue?—Exactly so.

1555. Now, was the proportion of waste lands in those provinces very large?—Very extensive in most of the settlements.

1556. To whom were they assumed to belong?—To the zemindars in the zemindaries; to the Company in the Havellies, until they were parcelled out.

1557. Were they at all in process of cultivation at the time that you were acquainted with them?—Not to any extent.

1558. Not at all?—The population of those districts was still reduced when I resided there, from the effects of the extensive famine in 1792, and was not equal to any great extension of the cultivation.

1559. And had the effects of that famine extended to the period at which you left that district?—I think the effect of it on the population, from the returns and from the appearance of the country, from the vestiges of former cultivation traceable among complete jungle in some parts, was evidently still in force.

1560. The regulations then under which the land was subject to (its burdens) in that district must have operated as a discouragement to cultivation, if the effects of one single period of famine of that description extended to so distant a point of time as you mention; was that so?—This was gradually ameliorating, but I should not say the evil was continued or aggravated from the effects of the pressure of the revenue system.

1561. Now what was the practical result in the case of the cultivator; did he obtain at all a fair share of the produce of the soil for his own subsistence?—In general I should say, yes, certainly, with few or hardly noticeable exceptions.

1562. What was the price of labour in those provinces generally; have you any means of knowing?—My length of absence from India prevents my giving a decided answer to that question.

1563. In cases of purchase of property between the proprietors themselves, which you have mentioned, and among the newly-constituted zemindars, can you say at all what was the number of years' purchase at which the estates were exchanged?

—Very

—Very few indeed. When I speak of exchanges, I mean to say, they were seldom or never exchanged but from failure; they were not exchanged as a merchantable property; they seldom changed owners, except sold from default of payment of revenue.

1564. Then in that case they were sales on the part of Government?—Yes. I did not mean, when I said they changed hands, that they changed hands under any other circumstances.

1565. Then there was very little sale of property between the proprietors in that country, even among the newly-constituted zemindars?—Very little indeed.

1566. And you would say there was very little saleable value in the land?—Very little saleable value.

1567. The cultivators under the zemindar were considered to be irremovable from their holdings so long as they paid their assessment; was it so? Or were they removable at the pleasure of the zemindar as tenants?—I should say, they were considered removable at the pleasure of the zemindar, though a measure seldom adopted.

1568. They had no right to retain occupation of the land, even on the terms of paying the assessment?—It is different in different provinces.

1569. But you mean not in different parts of the Circars?—No, I mean the Ceded District and the Carnatic, where the system is different in that respect. We were not aware, in our practice in the Circars, of the meerassy right, which has been so much discussed in the Carnatic.

1570. There appears in that case to be a distinction then between the rights of the cultivator in Bengal under the permanent settlement of Bengal, as compared with the rights of the Northern Circar; provided he paid his assessment you see, in the Circar he could hardly be said to have had that right?—From habit he did remain there a long time, and there was a distinction between the new and the old ryots, but I never heard it rightly defined; generally speaking, it would not be to the interest of the zemindar; but he could always transfer the land; it was always supposed he could; it might be usurped authority; but, however, such was the state of society.

1571. It is a wild country, is it not, generally; the inhabitants are an independent race and difficult to control, are they not?—Yes, in some parts; but there is a great variety of character among the different castes of the inhabitants; it is a hilly country, and the hill zemindars are a very lawless set.

1572. Well now, taking them generally, was it found very difficult to collect the revenue from the old zemindars?—It was formerly in many parts of the district.

1573. And the Company were frequently obliged to go to great expense in order to secure its balances?—A very great expense.

1574. And to keep up forces?—And to keep forces in the field continually, but latterly not so much.

1575. Do you conceive that it would have been possible in that country, instead of introducing a permanent zemindary settlement, to have introduced a settlement such as that adopted by Sir Thomas Munro in the Ceded District, namely, a ryotwar; and would it have been inconsistent with the state and institutions of the country?—

20 March 183;

Robert Alexander, Esq.

country?—Perfectly inconsistent with the greater part of that district; but it would have been quite practicable in many parts.

1576. Do you think that at the end of the period at which you were acquainted with it, if it had been practicable, it would have been expedient to have attempted to introduce it gradually, in substitution of the zemindary system?—I should say not.

1577. Have you been acquainted at all with the operation of the ryotwar system?—As a member of the board of revenue, the reports came before me; but my practical revenue administration was of a very confined nature in fact.

1578. But, however, as a member of the board of revenue, you were acquainted with the general operation of the ryotwar system?—Yes, undoubtedly.

1579. Will you point out the reasons for which you should conclude it would have been entirely inapplicable, at the latest period at which you knew the provinces, to their condition?—I allude chiefly to the hill zemindars, and the want, in fact, of intercourse, the want of acquaintance with the natives; intercourse was generally held through the means of the zemindars for many years; and the climate also would prove an obstacle.

1580. What were the obstables in the way of the climate?—I mean, that the climate of the hill zemindaries was extremely deleterious; I am speaking of the hill zemindars; in the Havelly it was practicable certainly, in the countries that had been long in our possession.

1581. Do you imagine, from your knowledge of the ryotwar system, that its introduction, supposing that change was found practicable, into the Havelly lands, would have given any additional security and protection to the cultivator or no?—I do not think it would, with the establishment of the courts. I think the security of the cultivators is as well provided for at present as it would be in a ryotwar system.

1582. What power had the zemindar of enforcing his claims against the cultivator?—None but that of sequestration of property and appeal to the courts.

1583. He could only bring a civil action against the cultivator for the balance of rent, could he?—Only that.

1584. But he himself was liable to peremptory sale, on the part of the Government, of his estate?—Yes.

1585. Now was that not found to operate to the disadvantage very much of the zemindar in this manner, that whereas he could only proceed by regular legal process in the courts of law for the recovery of his arrears, Government might proceed at once to the sale of his property for the discharge of the government claims upon him?—But he could proceed also by a short process; he could proceed to the sequestration of the property of the cultivator by the process as prescribed by the regulation for sequestrating the property of the cultivator; he could proceed both by sequestration of the property and appeal to the court.

1586. Then he could in the first instance sequestrate the property, could he, by a summary process?—Yes, he could, by a summary process. There was a regulation for the immediate sequestration of property by a short process. A regulation came out at the time of the permanent settlement and the establishment of the judicial system, which were simultaneous.

1587. Giving

20 March 1832.

Robert Alexander, Esq.

1587. Giving to the zemindar the power of enforcing his claims also?—Yes.

1588. Now from the description of the condition of the cultivators under those landholders, the Committee may conclude that the farmers of the revenue under the zemindars were not very dishonest or oppressive in the execution of their duties?—No; I think not.

1589. Were they subject to any very efficient control on the part of the zemindar; the farmers of the revenue under the zemindars?—Not particularly, I think.

1590. Will you describe more particularly the system by which the zemindar claimed his revenue from the cultivators under the new system?—In general, in these small zemindaries, the zemindar managed his revenue ryotwar; that is to say, he collects it from the ryots through the head inhabitants of the village; in fact they are his chief agents.

1591. Then they are rather in the situation of immediate agents of the zemindar than as farmers of his revenue?—Both systems prevail, I believe.

1592. And it varies in different parts of the country?—It varies in different parts of the country.

1593. But now in cases where the collection of the revenue from the cultivator is left to the head man of the village very much by the zemindar, is the control over that person, on the part either of the zemindar or of the village community, sufficient to prevent any great delinquency on his part, in the way of dishonesty or injustice—I believe that the system of the courts is what would control that. I think, previous to the establishment of the courts, no doubt there was a good deal of oppression from the middle-man, whether a head man of the village or whether a separate agent.

1594. But you think latterly that, whether by means of the courts or by the vigilance of the village communities, those persons were kept sufficiently within control, as to secure the rights of the cultivator and to prevent great oppression?—I think so. But when I spoke of the zemindar collecting his revenue by means of sub-renters, I alluded particularly to the older established and larger zemindars, such as Vizianagram, Boobilee, Magidole, &c. and to the system they adopted; not to the present mootahdars, that is, persons holding small divisions of property, which were allotted at the time of the permanent settlement; they, I believe, in general managed the whole by themselves, or probably sometimes rented it to the head man; but they are men comparatively of small means.

1595. Was there any great amount of European agency employed in the collection of the revenue in those provinces?—Very little.

1596. Nothing but the superintendence of collectors?—Of collectors and their assistants.

1597. Always excepting a military force among the hill zemindars?—A military force was sometimes necessary to be called in to quell disturbances, but never considered a medium of revenue collection.

1598. Have you a good opinion of native agents, as to their character and integrity?—Why, I think you may find native agents of considerable integrity.

1599. Now was the result of the Company's collection in that district very uncertain, or was the collection tolerably punctual since the new settlement?—Since the new settlement it has been comparatively, with some few exceptions, very punctual

punctual; in the country that I settled very punctual; in Ganjam not so much; there has been a failure; it was over assessed.

1600. And levied at small expense?—Yes.

1601. Except in cases where the military force was necessary?—Except in cases where the military force was called in; but that has been much less frequent since the permanent settlement.

1602. The assessment must then have been fixed at a moderate rate under the new settlement in the greater part of the districts?—Rather moderate, not universally so.

1603. Are you aware whether it was lowered much from the rate at which it had stood under the previous system?—But little in my case, and still less, I am afraid, in others; at Ganjam I still think it is high.

1604. Now are there any points in which you think the system at present prevailing for the collection of the revenue in those districts is capable of much improvement, either with respect to the rights of the people, or with respect to the security of the revenue?—I think not, except by a judicious lowering of the assessment in some places.

1605. You would say then that the permanent zemindar system is as well adapted to those provinces, under their peculiar circumstances, as any other, or rather better?—I think so.

1606. What is the cultivation of those districts, for the greater part?—Rice and millets, and other dry grains, oil-seeds, and turmeric, and some little sugar; but for rice it is not a very good soil; it is too hilly a country: it is not such a rice country as the Carnatic.

1607. Does the distinction prevail then between the dry and the wet lands, which is found in the other parts of the territories of Madras?—Yes.

1608. And is the assessment higher on the wet lands than on the dry?—It differs. There are some tracts of high land very fertile, that produce crops of the more expensive grains; those are rented very high; but, generally speaking, the Pollam, or the wet lands, rent for much more.

1609. But is there any distinction made between the lands artificially irrigated, and those which depend on the rains entirely for moisture?—All the rice lands are almost universally artificially irrigated; although it depends on the rains, yet the rain is received into reservoirs, and afterwards distributed out, so that it is in fact all artificial irrigation for the whole of the cultivation of the wet lands.

1610. There is no part that depends entirely on the casual rains?—No. What depends on occasional rains is always classed with the high land.

1611. And that bears a lower assessment?—Yes, I should say generally a lower assessment.

1612. Was it at all attempted, during the period you were acquainted with those districts, to introduce new articles of cultivation?—Foreign cotton was introduced, and sugar grown for the Europe market, but failed in the Cossimutah division, south of Vizagapatam. Indigo was cultivated with some success north of Vizagapatam.

1613. By natives?—No, not by natives; one of the first introducers of the cultivation was the present Chairman of the Company, Sir Robert Campbell, when settled as a merchant in that province.

20 March 1832.

Robert Alexander, Esq.

1614. Were there any establishments of that description in the country at the period you were leaving it?—Yes.

1615. Are you aware whether those establishments succeeded?—I believe they succeeded in a certain degree; not much, not particularly well; I do not know whether they continue to exist.

1616. Can you speak at all as to the effect produced on those establishments, by their neighbourhood, among the population?—I believe it was good as far as ryots were concerned, that it was beneficial to the ryots employed in that cultivation.

1617. You consider the ryots in the neighbourhood of those cultivations were in a better condition than the rest of the country?—Yes.

1618. To what should you ascribe that difference?—To the fact, that the planters of indigo found it their interest to pay them a higher value for the land occupied by the indigo plant than they could obtain for their share of produce when it was under a different cultivation.

1619. Did the indigo manufacturers obtain possession of considerable portions of land in the names of natives, or did they contract with individual cultivators?—No, they got the permission of the Government to hold under the zemindar; it was not Havelly land; they took it at a time before the permanent settlement was formed; they had permission of Government to hold several complete villages under the Rajah of Vizianagram.

1620. It was all in that district, was it?—Yes.

1621. Now, are you aware whether there were frequent disputes and misunderstandings between those persons, the manufacturers of indigo, and the natives of the country?—Slight disputes, which I have been engaged in settling myself when secretary to the chief in council; disputes as to the irrigation, slight disputes as to watercourses, but never to any great extent.

1622. You conceive then, on the whole, the residence of those persons in the country did not lead to much increase of disorder?—By no means, I should say the contrary.

1623. It had the contrary effect?—Yes.

1624. And that it unquestionably improved the resources of the district?—I think it did, as far as it went; but the effects were not extensive.

1625. Then you would infer, from your knowledge of those instances, that provided it was in other respects practicable, as far as the condition of the natives would be concerned, and the collection of the revenue, and the resources of the country, that the addition of Europeans to such undertakings was rather beneficial than otherwise?—I should say certainly, in that part of the country no doubt of it; but the climate and soil are not favourable to many speculations.

1626. In the cases of the estates held under the zemindars of those provinces, were there any pottahs, or leases, given to the cultivators at all?—Yes; it was nominally an obligatory thing to give pottahs before the regulations; it was a compulsory thing, in order to make the agreement valid. I believe cultivation very often was carried on without pottahs; but when the permanent settlement and judicial system took place, it was made compulsory; there was a law established, rendering it compulsory to grant pottahs in all cases.

1627. Do

1627. Do you extend that statement both to the new and the old zemindars?—The new and the old zemindars.

1628. To all?—To all.

1629. And was the regulation strictly observed?—I should doubt it very often, for it could not be ascertained, except it came before a court; and I fancy in many cases it was neglected, and is to this day neglected.

1630. It was not very well in the power of the courts to enforce it universally, except in those individual cases of complaint which came before them?—Certainly not.

1631. Do you apprehend, that supposing the pottahs were universally adopted that they would constitute a very effectual security for the rights of the ryot?—I think so; but in the case of the non-existence of pottahs, it was often as much the fault of the ryot; the ryot was often afraid of receiving a pottah; he was afraid of not being able to fulfil his agreement, and the neglect was as much on his part, with a view to evade responsibility, as it was on the part of the zemindar, with a wish to exact.

1632. Were the ryots allowed by the zemindar to subdivide their holdings at their own discretion among their children?—I do not know; I cannot speak to that.

1633. Was the salt manufacture carried on on the coast of the Northern Circars? Were you at all acquainted with that district?—Yes; I was acquainted with the manufacture very well; I forget the amount though. I was there when the salt monopoly was established, and it was surprising the little effect that the collection of that very large revenue had, the very small pressure that it seemed to have on the inhabitants, and the few complaints made by them when it was established.

1634. Was it made a monopoly?—Yes.

1635. It existed as a free manufacture before?—No, there were salt farms before both in the zemindaries and in the Havelly lands, but they were on such terms that the profits of the salt farms were very little, and the commodity was so little valuable, in fact, that although there were salt farms, they produced little or nothing.

1636. But notwithstanding the levy of the new revenue, it did not appear at all a measure that excited complaint, or was felt as oppressive by the inhabitants?—No.

1637. Was the price much raised by the establishment of the monopoly?—Greatly.

1638. What should you say was the effect on the consumption, the raising of the price?—It affected the consumption very little.

1639. Do you conceive, from what you know of the natives, that their consumption of salt was nearly as large as they would require under any circumstances?—I believe so, perfectly.

1640. And you think there is no reason to suppose, even if the price of salt was lowered in those districts, that the consumption would be much extended?—No, I do not.

1641. Is there much smuggling on that coast?—Not a great deal.

1642. Is the salt delivered to the consumer without much adulteration, do you imagine, by the merchants purchasing from government?—Yes, I do not recollect cases of complaint of adulteration in any instance.

1643. Was there any opium cultivated there in your time?—None.

Jovis, 22° die Martii, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

III.
REVENUE.

22 March 1832.

W. B. Bayley, Esq.

WILLIAM BUTTERWORTH BAYLEY, Esq., called in and examined.

1644. You have been employed in a variety of offices in India?—Yes, I have, I was a member of council for five years, before which I held the office of Chief Secretary to Government.

1645. During the latter part of your residence in India, have your public duties made you at all conversant with the operation of the revenue on salt?—I have no minute knowledge of the details of the salt system, but I have some general information upon the subject.

1646. Do you conceive that the monopoly of the Company has the effect of raising the price of salt, as it is now supplied to the consumer, very much above that at which it might be supplied by private manufacturers, supposing they were at liberty to conduct it?—I conceive there can be no doubt of it.

1647. Have you any reason to suppose that if the price of the salt could be, by any difference of arrangement, reduced, it would lead to any very extended consumption in the territories which are now supplied by the Bengal market?—I have no doubt that if the salt were furnished to the public at a lower rate, a much larger quantity would be consumed.

1648. Do you apprehend that that would arise from the increased consumption of the natives, or would it be applied to other purposes, such as the feeding of cattle?—I should think from both causes.

1649. The probability is, that there would be an increased consumption, is it not?—I think there would be a much larger quantity consumed.

1650. What do you consider to be the quality of the salt when it reaches the consumer?—I consider it to be much adulterated, especially in the more distant parts of Behar and Bengal. It is notorious that it is frequently adulterated with dirt and impure salts.

1651. Does that take place after it is cleared from the Company's goolahs?—Yes, and penalties are prescribed when such adulteration may be proved.

1652. Have you turned your mind to the consideration whether it would be practicable so to alter the system that at present supplies salt in the territories of Bengal, as to furnish it at a lower rate to the consumer, and at the same time not to sacrifice the revenue of the Company?—I have considered the subject, and I have always been of opinion that the quantity might be increased gradually, but certainly to a very considerable extent, without ultimate loss of revenue to the Government.

1653. Will you explain in what manner it would be practicable to effect that object?—The Government can at any time furnish a larger quantity, and at a lower price; and if the salt were procurable by individuals at a cheaper rate than it is at present, more would be consumed for their own use, and probably for the feeding of

of cattle and other agricultural purposes; but I am opinion that the process must be conducted with caution, and that there would be a great risk of serious loss of revenue if any large increase was suddenly made in the amount supplied to the market.

1654. Have you ever been able to arrive at any conclusion at all satisfactory to yourself as to the practicability of substituting the private manufacture of salt for the monopoly?—I have not seen any scheme which struck me as calculated to effect that object consistently with the security of the revenue. The importation of foreign salt from other countries, if it could be effected at a lower rate, and if that salt were equally acceptable to the people, might, by means of a custom duty, furnish an equal amount of revenue.

1655. Supposing that it were ascertained that salt could be imported, and delivered at Calcutta at a lower price than the salt which is afforded by the Company, do you conceive it would be possible to make any experiment as to the admission of salt under those circumstances, with a custom duty payable to the Company, in connexion with the present system; or do you suppose that any such change of import duties as that must be accompanied with a change of the monopoly system at the same time?—I do not think the two could go on together; we import a considerable quantity of salt from Madras, but it is the property of Government; and if it were not so, it would be subject to a duty amounting nearly to a prohibition. I do not see how the interest of Government in the monopoly could be preserved if salt could be imported at a moderate rate of duty by individuals. There is, in fact, no prohibition now to the importation of salt from foreign countries, but a duty of three rupees per maund is exacted. Even with this heavy duty, I believe it has been imported by individuals, and sold, in particular instances, to advantage in Calcutta.

1656. Such a combination of the two systems being, as you conceive, impracticable, should you imagine that it would be possible to substitute within the territories of Bengal, for the Company's monopoly, a system of superintendence for the levying of a duty analogous to the excise duty which was imposed upon salt in England?—I think that there are very formidable objections to anything like an excise system in India. The want of integrity amongst the lower classes of natives would, I think, defeat any plan, the success of which depended on the employment of a large number of subordinate agents.

1657. Do you imagine that if the system were changed in the manner which has been described, it would require a more extensive agency, in order to secure the collection of such a duty upon the manufacture, than is required at present for the actual superintendence of the manufacture as an establishment of the Company?—It appears to me that it would.

1658. Will you explain in what manner?—At present all the public officers of government, and especially those in and about the districts in which the salt is made, are bound by severe penalties to aid in suppressing the illicit sale, transit and possession of salt, and are thus virtually employed in the maintenance of the monopoly. That could not be the case, I presume, under an excise system.

1659. Assuming that the same amount of establishment were maintained, the same number of persons employed, and persons of the same description employed, as

22 March 1832.

H. B. Bayley, Esq.

as are now necessary for the purpose of securing the monopoly, can you point out any circumstances which would render such an agency insufficient for the collection of a duty?—Supposing that the restrictions and penalties which are now applicable to zemindars and farmers, their agents and village officers and molungees, as well as to the servants of Government in every department, could be maintained and enforced as heretofore, and that the officers in the salt department could exercise the same judicial powers as are now vested in them, I do not immediately see why the collection of an excise duty might not be as efficient as the present system; but neither do I see what advantages are expected to result from the change.

1660. Has it not been found necessary, in order to enable the Government to carry on the trade in salt, to limit the amount of salt that shall be sold in any one parcel?—The salt in each lot sold at auction is limited to a certain amount.

1661. Do you recollect what is the smallest quantity that can be sold to any individual at the government sale?—One thousand maunds, I think.

1662. Have you ever had occasion to consider what effect it produces upon the trade?—I think not at all an injurious one.

1663. Does it not create a sub-monopoly in the market?—The amount is so small that it does not interfere with the purchase by a merchant of very moderate means.

1664. Are not the individuals who deal with the Government very few in number?—I believe they are; there is in fact a species of sub-monopoly existing.

1665. Would not a change in the system upon which that is carried on, by collecting the government revenue by an excise duty, and letting all persons enter into the trade who would wish to do so, break down that which is described as a sub-monopoly?—I should think so: it appears to be the natural inference that it would do so. The security of the revenue is a different question.

1666. Have you any reason to believe that the consumers pay a higher price for the salt than is necessary to give to the Government the advantage which it derives from its monopoly, which is said to be 80 per cent., and to replace the capital employed in the manufacture?—I have no doubt that a larger supply might be furnished at a cheaper rate, and without loss to Government, if it were done gradually. The extension of the supply has been urged repeatedly by the Court of Directors, and considered by the Government, but the state of the finances has hitherto prevented them from making the experiment.

1667. Provided only that the Government were no losers as to the amount of the revenue, do you entertain any doubt that it would be beneficial generally that they should get rid of the trading in salt, and leave that to the private manufacturers?—That being secured, I should say it would be better. Another plan has been suggested which I suppose is familiar to the Committee; viz. that the Government, instead of selling by public sale the salt manufactured on its account, should open its goolahs to all purchasers at a fixed rate. This plan was in force during Mr. Hastings's government, and might I think answer if it were now adopted.

1668. Is not that the plan at Madras?—I believe so. It exists in fact in the manufacturing districts in Bengal, where persons may buy small quantities by retail for home consumption, at a fixed and moderate price.

1669. Do

22 March 1832.

W. B. Bayley, Esq.

1669. Do you know what the regulations are under which salt is now imported into Bengal from foreign countries?—Salt not imported on account of the Company is subjected to a custom duty at the port of Calcutta. Such salt is subject to a duty of three rupees a maund.

1670. Are you aware that the duty must be paid the moment it is landed?—The duty must be paid before the salt is removed.

1671. And that no person may buy it except the Government?—The Government allow the proprietors the option of delivering the salt, either in the custom-house or in the government goolahs; but having paid the duty, they may clear it away, only obtaining a pass if they wish to take it up the country.

1672. Is there any intentional obstruction offered on the part of the Government?—Not the least; on the contrary, I think that the Government would be glad to have any quantity of salt imported at a duty of three rupees a maund.

1673 Then the foreign salt imported is upon a different footing from the coast salt imported?—Yes. But salt imported from the Persian Gulf, Muscat, and other places, not on account of the Company, pays the same rate of duty, viz. three rupees a maund.

1674. Then the Committee are to understand that the foreign salt may be sold by the private importer after having paid the duty, as well as the coast salt?—Yes. The coast salt, however, is government property; it is dispatched by the officers of government from the coast, and sold on account of Government at the public sales in Calcutta.

1675. When the salt from the Coromandel coast was first imported into Calcutta, was it liked by the natives?—Not so much as it has been recently.

1676. Can you recollect what was the difference of sale price of that salt and the Bengal salt?—I should say that some years ago, when the Bengal salt sold at 350 rupees the 100 maunds, the Coromandel salt sold perhaps at 230 rupees or 240 rupees.

1677. Has any change taken place in the taste of the consumers consuming that salt, and is it more liked now than it formerly was?—Among the upper ranks the salt, I believe, is not much used; but among the lower ranks it is become more extensively consumed than it used to be.

1678. Does it sell at a higher price?—Yes, and finds a readier market.

1679. Has the quantity of that salt increased?—The quantity imported from Madras has greatly increased within the last 10 or 12 years. The annual supply is now limited, by a resolution of Government, to six lacs of maunds, and I think the average importation formerly was from two lacs and a half to three lacs and a half, though much more in particular years.

1680. Can you state what is the difference between the cost of the Bengal and the Coromandel salt?—I cannot state the exact price of the Madras salt, but I know that the salt imported from the coast latterly produced as great or a greater profit to the Government than that manufactured in some of the salt districts of Bengal.

1681. According to the system in which the affairs of India are now administered, if it should appear to be desirable to substitute for the present Company's monopoly the principle of levying a duty upon the plan of an excise duty, in what

way

22 March 1832.

H. B. Bayley, Esq.

way would that object be effected; from what body would the orders emanate? would they go from the Board of Control?—The Board of Control would not probably originate the order. The orders are supposed to emanate from the Court of Directors, sanctioned by the Board.

1682. Would the local government have the power to effect anything of the kind?—The local government have sometimes adopted measures involving very extensive changes without any previous reference to the authorities at home, which have been sometimes confirmed and approved by the home authorities, and at other time rejected.

1683. Have you had occasion to turn your attention to the opium monopoly?—I have no personal or practical knowledge of the details; but such general information as I obtained from the correspondence which came under my view as a member of Government.

1684. Do you recollect what has been the amount annnally put into the pockets of Government from the sale of opium of late?—I think a net revenue, fluctuating from 700,000 *l.* to 1,000,000 *l.* a year.

1685. Is it upon the increase or decrease? The sale price has very much diminished, but the quantity of opium brought to market has very much increased of late years.

1686. Do you think the revenue upon that stands upon a secure footing?—Yes, I think it does, unless the Chinese should practically enforce their laws against the admission of opium. I do not think the revenue will fall much below what it is at present. The demand for opium is increasing. Our means of augmenting the supply are very great indeed; we can extend the quantity supplied from the Bengal presidency very largely; we could afford a still greater reduction of price, under the supposition that the demand continues to increase in the same ratio as it has done of late years.

1687. Does the difficulty of smuggling it into China increase with the quantities that are carried in?—I should say, apparently not; we have heard of very little difficulty in its being smuggled of late years. The local authories must of course wink at it.

1688. What change has taken place in the selling price at China; what reduction has been produced?—I can scarcely speak of the sale price in China, except by inference from that of our own sales. I think the average sale price of opium in Calcutta for some years past may be taken at about 1,400 rupees a chest.

1689. What is the highest price you have known it at?—In the year 1821 I think it realized about 4,000 rupees a chest. It averaged about 2,000 rupees a chest for a considerable time before 1820.

1690. Can opium be grown at a less cost in the provinces of Bengal, than in any other part of India?—It has been so understood.

1691. And of better quality?—And of better quality.

1692. Have you any means of informing the Committee to what extent Bengal has that advantage over the other districts, in the facility of growing it, and in the superiority of quality?—I cannot answer that question specifically; I could only compare the profit on it with that on the Malwa opium; we have the means of

comparing

22 March 1832

W. B. Bayley, Esq.

comparing the two by the difference of their respective cost and sale. I think the cost of growing Malwa opium is double that of Bengal.

1693. When you say the cost is double, you mean that the sum paid to the cultivator in Malwa, is double what is paid for the same quantity in Bengal?—Yes; in the provinces of Behar and Benares, under the Bengal presidency.

1694. Supposing that the cultivation were conducted under the same circumstances in both countries, do you imagine that the cultivator in Bengal would not require the same price to secure him profit in the undertaking?—I think the Bengal cultivator now gets his fair profit upon the undertaking. The zemindar derives a profit also.

1695. Do you recollect what is the difference of price at which it is now sold by the Company, and purchased by them?—The cost is, I believe, about 300 rupees a chest, and it sells for 1,200, 1,400 or 1,500 rupees a chest.

1696 Have you reason to think that the chest of Malwa opium would cost the cultivator 600?—Yes; that is about the estimated expense, as we have always understood it, from Malwa and Bombay.

1697. With respect to quality, which is considered the best?—The price of the Behar opium has generally maintained a superiority over the Malwa; there was one year, in which there was a failure of the manufacture of Behar opium, from mismanagement on the part of the agency officers, and in that year and one or two subsequent ones, the Malwa opium did, I believe, bring a higher price in the China market.

1698. Is there any other source from which China derives a supply of opium?—Sometimes from the Americans and other foreigners trading to China.

1699. Is that brought down the Persian Gulf?—No; it is brought from the Mediterranean, from Smyrna.

1700. Is that of superior quality to the Asiatic opium?—I imagine that which is supplied to China is not superior. It is at all events not so much prized by the Chinese.

1701. Is that trade on the increase or decrease?—I believe latterly on the decrease; they cannot compete with our opium in the market.

1702. Is the trade in Malwa opium entirely free, or do the governors interfere to take duties upon it?—They take duties unquestionably; they levy very heavy transit duties. The cultivators also pay a higher rent or rate of revenue in proportion to the profit of the opium cultivation.

1703. Do they levy a higher rate of duty upon the poppy grounds, than upon the other grounds?—Much larger than upon the ordinary cultivation. The soil upon which the poppy is grown is called garden soil; rich soil, which is carefully prepared and manured. The rent levied upon opium ground is as high as upon almost any species of cultivation; sugar and tobacco, for instance, or any crop of the most valuable description.

1704. And in addition to that, there are transit duties?—Yes, on all opium from Central India, not belonging to Government; and further, the cost of insurance must be added to the expense of Malwa opium, for they pay an insurance, to secure its safe transit through the countries they are obliged to traverse. A system has lately been introduced, under which individuals receive a pass or license, paying

us a certain amount, and then their opium passes through our territories without interruption.

1705. From what port does it go?—Heretofore from the ports of Diu and Damaun, Portuguese settlements.

1706. Has that change been lately effected by orders from the supreme government?—Yes; in consequence of its being supposed that our former or monopoly system produced a bad feeling in Central India.

1707. Has there been any opportunity of knowing the effect which it has produced?—It commenced just when I was leaving India. The revenue that the Government formerly derived from the Malwa opium would doubtless suffer a considerable decrease, but it was assumed, upon fair grounds, that a revenue of 12 or 15 lacs of rupees would still be collected.

1708. In your opinion, would the net revenue diminish much?—Yes, it certainly would, very considerably.

1709. Was the direction that the price of the passes should be fixed at somewhat below the difference of the cost of transit?—Yes.

1710. Will you explain why you conclude that the revenue will suffer so much?—Because the Government before had great advantages in procuring opium in Malwa. A large quantity was obtained under engagements with the native States, on terms which were supposed to be injurious to those States.

1711. Were there not considerable quantities of opium, under the former system, which escaped the revenue?—Undoubtedly; but then they were exposed to great hazards by a circuitous and a very long route.

1712. Do you conceive, if this system were to succeed, and that large quantity which has hitherto escaped the revenue were to be hereafter taxed, that there would be a large reduction in the net revenue?—In that case the net loss would be less considerable. It was the object of Government that the price of the passes should be considerably under the expense of taking it by the other route.

1713. Would not the transit through Bombay be more secure?—Yes; it would pass through territories under our own protection, and the route is also much the nearest.

1714. Did not a great proportion of it go to the river Indus?—Yes, it went to the Indus, through a part of the Sandy Desert, and by a very circuitous route.

1715. In what vessels is the Malwa opium carried to China?—In vessels under Portuguese colours generally; but I believe the capital employed is British.

1716. What Chinese ports does it go to?—Entirely to Canton.

1717. Have you any knowledge of any American or Portuguese vessels finding their way to the northern ports of China?—I have heard recently of one or more small vessels making a voyage along the coast of China, smuggling as they went along. The attempt was, I believe, partially successful. I do not know under what colours it was done, but very possibly under English colours.

1718. Do you think that the same amount of revenue could be levied upon opium by any change in the mode of collection?—I do not.

1719. Do you think it is absolutely necessary that the Company or governing power, be it what it may, should continue to trade in opium?—The Company can scarcely be said to trade in it.

1720. Does

1720. Does not the Company actually buy the opium to sell again?—It makes advances for the cultivation of the poppy.

1721. In one portion of the progress of opium between the producer and the consumer, are not the Company in India actually the possessors of the opium?—There is no doubt they are.

1722. Is not that distinct from the process of levying a duty?—In that sense they may be considered as traders, but they never export it; they dispose of it to the merchants by public auction, in order to raise a revenue for territorial purposes.

1723. What is the smallest quantity which the Company sell?—I think five chests.

1724. Is the trade confined to few hands?—No; I believe every commercial house in Calcutta is engaged in it; it is a perfectly open traffic.

1725. Will you explain precisely what the system was under which the opium was grown, under the superintendence of the Company's officers in the States of Malwa?—It was obtained chiefly under treaties with the native princes of those States, and by contracts with rich individuals. The government agent, Mr. Swinton, was the principal person employed; he used every means in his power, by his own knowledge of the process of the manufacture in Bengal, to improve the manufacture in Malwa; he visited the different places where the cultivation took place, and by degrees improved the drug very materially.

1726. The agent entered into a contract with the cultivator, making him an advance?—No, not with individual cultivators. A large portion of the drug was furnished by contracts directly with the native princes and chieftains, each of which engaged to supply a certain quantity of opium of a certain quality, at a certain time, and if it was found to be of inferior quality, it was rejected. The agent explained why it was rejected, and what was necessary to bring it to the state of purity or consistence required.

1727. Those States are bound by treaty?—Yes; they further agreed to prevent the cultivation of the poppy beyond a certain extent.

1728. When it was delivered into the hand of the agent, how was it disposed of?—He had it manufactured into cakes of a proper size, and packed and sent off to Bombay. It was sold at Bombay by auction, on account of the Government, in the same manner as in Bengal.

1729. Then the agent had the whole of it in his own hands before it went to market?—Yes; it was in his hands, and was generally examined and packed up in chests, under his superintendence and direction.

Lieutenant-Colonel BARNEWALL, called in and examined.

Lt.-Col. Barnewall

1730. You were employed for some time under the Bombay government, in the land-revenue department?—I was, for twelve years.

1731. What was your precise duty in that department?—I was Assistant to the Collector in Gujerat and in the zillah north of the river Myhee, from the year 1806 to the year 1819.

1732. Will you explain what was the system which prevailed in those countries for the collection of the land revenue?—At the time we got possession of the districts

22 March 1832.

Lt.-Col. *Barnewall.*

districts north of the river Myhee, by cession from the Guicowar, the country was in a very disturbed state, and it was thought expedient to follow the system for a limited period, which had existed under the native governments.

1733. In what did that system consist?—In settling the revenues by an agreement with the desoy, or the head hereditary district officer; through his agency the revenue was settled with the potail of the villages, who entered into a bond to pay the revenue of the village, and realize it according to the existing rates of assessment.

1734. Are those officers appointed by the Company?—The desoy is the hereditary district officer in Gujerat; the mujmoodar is the hereditary district record-keeper; these officers perform the same duties for the district, as the potail and tullattie do for the villages.

1735. Was this the system that prevailed under the native governments?—It was.

1736. The desoy is an hereditary officer?—Yes, he is.

1737. How is he paid?—By the produce of rent-free lands in the villages, and also from fees and money payments, when employed by Government.

1738. He was an hereditary collector of the revenue?—He was the hereditary head of a district, and performed revenue and police duties, under the control of the native governments.

1739. How did you ascertain what he had to pay to the Government?—This was ascertained from the collection of former years. The revenue that each district yielded to the former government is stated in the treaty of cession to us. The desoy, from the accurate information he possessed, was able to ascertain the detailed rents paid by the cultivator to the potail; they were regulated by the mamool, or the pergunnah rates, which were well understood in the district, and by them the revenue was assessed; so long as the collector was not able to procure the accounts in detail of the villages, he was obliged, for the safety of the revenue, to follow this system, and until the country was in an improved state of tranquillity.

1740. After one or two years, what course was adopted?—After two or three years this system was relinquished, and settlements were made with the heads of villages, or the potails.

1741. What description of settlement?—A settlement with the potails of the villages. The potails entered into a bond for the amount of the revenue, realizing it according to the prevailing rates of assessment in their villages.

1742. Did that arrangement vest in the potail any property in the land?—None whatever; he had the usufruct, by inheritance, in the land he occupied, nothing more.

1743. In what way were the ryots protected from any demand being made, by this individual, of a greater sum than was paid to the Government?—In case of any attempt of the potail to over-exact, or to depart from assessing according to the village rates, the ryot complained to the collector for redress.

1744. Under the system pursued before the lands were ceded, was it understood that the ryots held on the condition that a fixed payment should be made, or was it understood that they should always pay as much as they could?—The practice, under the Mahratta government, rendered no assessment fixed, nor was the public demand limited, although it was restrained by attention to the prevailing rates of

assessment

assessment existing in the villages. The land is held by three descriptions of landholders; first the permanent occupant, or the hereditary cultivator; second, the permanent tenant; and thirdly, the temporary tenant. The title of the first class, or the permanent occupant, has descended to them from their ancestors, and they either cultivate or let their lands to the other two descriptions of tenants, or they employ labourers in cultivating them.

1745. Were records always kept of the different tenures in those villages?—The records were most imperfect, and not to be depended on. The country had been so much disturbed by disputes between the different branches of the Guicowar family, and the system of farming had so long prevailed, that scarcely any district records were forthcoming, or if they existed, they were concealed and withheld by the local officers.

1746. Has it been the habit of the Company's government to ascertain rights and settle them?—Their object has been to acquire every information, to enable them to do so; and to ascertain and define with accuracy all rights, and afterwards to settle and confirm them

1747. What progress has been made?—The tenure of the landholder has been ascertained, with the extent and class of the land he occupies; the assessment on it is no longer liable to increase; while remissions, where necessary or called for, are granted.

1748. Of whom do they take the lands?—The lands that have no permanent tenants are usually let out every year on the best terms that are offered, through the managing agent of Government in the villages, usually the potail.

1749. Is the rate at which an annual tenant shall be permitted to occupy the land fixed by usage in such a way that if he agrees with the potail, the amount of rent to be paid by him is always known?—The lands that have no permanent tenants are leased to cultivators, and the rents agreed upon are registered in the records of the village, and a writing is at the same time given to the cultivator, specifying the terms or rent he is to pay for them. The mamool, or customary rates of assessment on the land held by the hereditary cultivators, may always be ascertained by a local inquiry, in case of a complaint of over-exaction.

1750. Do those lands that are permanently occupied, and those of the second description that are leased annually, comprehend all the lands of the village?—They include all the arable land in the village in the zillah north of the Myhee. Permanent occupants hold the greater portion of the lands, and but a very small portion are annually leased.

1751. Are there any lands that are let for short leases?—Yes; the permanent occupant often lets his lands to tenants on short leases; but the lands annually leased in the villages are very inferior lands, and seldom taken beyond the year.

1752. Is there much waste land?—Very little waste land that is arable; nearly all the land capable of cultivation in the districts north of the Myhee is occupied or leased annually.

1753. According to your description of the village arrangements for the cultivation of the land, it would appear that you consider the property of the land vested in the village entirely?—The hereditary occupant only claims the usufruct, not the ownership, of the land; the impositions of the Mahomedan governments must have annihilated

22 March 1832.

Lt.-Col. *Barnewall.*

annihilated property, if it ever existed; and the demands of the Mahrattas not being limited, no property can be said to have existed in the lands held by the hereditary cultivators, when we succeeded to those districts, but the usufruct.

1754. From your description of the system, are the occupants, either permanent or annual, under the village corporation as the proprietor of the land?—The village corporation are permanent occupants themselves; for most of them are the descendants of the original potails. They claim no property in the land.

1755. When you use the term permanent occupants, do you mean to imply that they are really persons who have a right to claim the land without the fee-simple in the land, or that they are actually the proprietors of the soil?—No; the fields that the permanent occupant holds he derives from his ancestors; he does not claim a property in them; Government is vested with the property in them.

1756. Upon the whole, are they upon the same footing as the ryots throughout the greater part of India may be supposed to stand upon, namely as occupants of the land, who continue in occupation as long as they pay their assessment according to the pergunnah rates?—That is all they either claim or possess.

1757. Are there any larger landholders in that province?—Not any large ones in any part of those districts under the direct rule of our Government; but there are Cooly and Rajpoot chiefs who hold large possessions, in which they are the proprietors of the land, paying an inconsiderable sum as tribute to our Government.

1758. Is there any class that corresponds at all with the zemindars?—No, the zemindary system does not exist anywhere in Gujerat as at Bengal. The potail and other hereditary landholders are called zemindars in Gujerat, but are not the proprietors of the land, Government being considered to be vested with the property in the soil, and as landlord, entitled to the rent of it, or a share of the produce equal to it.

1759. Under this system has the amount of revenue collected by Government increased or decreased?—The revenue did increase from lands formerly waste, since brought into cultivation; no mamool or established rates of assessment increased, but in many cases the rates were reduced.

1760. In your acquaintance with the country, which you say continued from its first occupation nearly to the present time, has the state of the cultivators improved or otherwise?—The state of the cultivators, on the last occasion when I visited the districts in 1821, had, I think, improved; but I believe their agricultural produce has since fallen in value, and the profits of the farmer and cultivator reduced proportionably.

1761. To what circumstance do you attribute the fall in value of the agricultural produce?—To the altered condition of the country, and to the large establishments maintained by the Guicowar government and other States being reduced; this has caused a less demand, while a state of internal peace prevents all extra demand: nearly the whole of the population has become agricultural, and the supply of grain so far exceeds the consumption, that there had been a glut in all the markets for one or two years in the provinces on the western side of India before I left it; the effects of importations of cotton cloths from England had greatly lessened manufactures, and commerce was also languid.

1762. Has

1762. Has the currency remained the same?—The currency has not been altered.

1763. What has been the currency in those countries?—The currency is the old sicca rupee, coined by us at the mint of Ahmedabad.

1764. In consequence of the fall in the value of the produce, has an abatement been made in the rents?—I believe very large abatements had been granted before I left India, to the extent, I understood, of several lacs of rupees.

1765. Did it ever happen that those rents fell into arrear?—I believe there has been some arrear of late years; but this is a point on which my information does not enable me to speak with any accuracy.

1766. If the potail should have occasion to enforce the payment of rent which has fallen into arrear, what means must he have recourse to?—He would probably apply to the collector in case of any measure of coercion becoming necessary, or be responsible if he did not.

1767. What would the collector then do?—The collector would be regulated in his conduct by the circumstances of the defaulter: if the arrear arose out of a revenue balance, he might probably remit the arrear, or he might distrain or imprison the cultivator; but such a course would never be resorted to where a cultivator was not well able to discharge the arrear. Mr. Elphinstone's Minute of 1821, which is in the Revenue Selections, will afford the Committee a most comprehensive review of the tenures and condition of those districts, from the period of their coming under our Government till 1821; shortly before this period the districts had become more settled, and measures were then adopted to ascertain with the greatest accuracy the extent of the lands in cultivation, and the assessment realized from every field; and in 1816 a Regulation was proposed and passed by Government for establishing a strict system of village accounts; this was acted upon in 1817, and in that year I was employed in the district of Nenyad, inspecting all the fields and registering them in the books of each of the villages. I received aid from the inhabitants, when fully aware that the object of Government was to confirm their rights, and to protect our own, and that we had no object of revenue. I received very correct information on this occasion, after an inspection in the village records, which contained the name of each field, and also the class and the quantity of land the field contained; and a few years after this registry was made, the surveyors under Captain Cruikshank, measured those lands; and on comparing this measurement with the village records, they were found, with a very trifling difference, to be correct. The rents registered in the accounts were those the several class of landholders had been for years assessed at, but liable to abatement in bad seasons. This formed a record which was examined and revised every subsequent year, and was rendered complete and accurate, and is now acted upon, with great benefit to the people and advantage to Government.

1768. Under this system did any such difficulties arise as induced the natives to have recourse to the courts?—There were cases where they had recourse to courts of justice, but in very few revenue cases.

1769. What were the sort of disputes that arose?—About the partitions of property, about family inheritance, or debts; disputes they could not settle among themselves they carried to the courts.

1770. What

29 March 1832.

Lt.-Col. *Barnewall.*

1770. What law prevailed there with respect to inheritance?—The inhabitants being chiefly Hindoos, their law of inheritance prevailed; but among the few Mahomedans, their own laws.

1771. In what way are those inheritances effected?—The Hindoos in general hold the family property in common, dividing the annual income or produce in proportion to each share of the claimants upon it; in some cases they separate, but this is not very common among the agricultural classes; but when a separation does take place, the general estate is valued, and the proportion of it fixed by an arbitration is put in possession of the party separating himself from the other sharers.

1772. Is that system still in progress?—The system I have described is that I believe now acted upon.

1773. Does it tend to occasional subdivision of the land?—Yes, a very considerable one.

1774. Has the effect of that been to impoverish the country?—This effect is not very apparent in the villages in Gujerat; but in the petty states of Kattiawar, where the state of property and power is very different, but where the same law of inheritance prevails, the subdivisions of property there lead to great poverty and discord; in that country power subdivides with the property, and it is often common to find as many independent authorities as separate estates: from a few principalities originally, or zemindaries, there is now nearly two hundred large and small states in Kattiawar who pay a tribute to us, and we are bound to maintain tranquillity between them.

1775. Those persons subdivide not only the land, but monarchical power?—The usage with them is, that the chief of a large possession provides for his younger brothers by the alienation of three or four villages, which are assigned to him from the family patrimony, and this provision he has a claim to by the rules of his tribe. When he succeeds to and occupies these villages, he assumes all power, and is quite independent in their internal government; and when this estate divides by succession among his descendants, the power and property subdivide likewise.

1776. This sort of gavelkind empire depends upon the number of children a rajah may have?—In case of many male descendants the largest possessions (where this custom prevails) soon divide and subdivide into many petty independent possessions; but from the more dissipated habits of the chiefs, they seldom of late years have more than one male heir, and very often none.

1777. Do they leave one descendant?—They do generally, otherwise they adopt another.

1778. Is that always of the same family?—They adopt usually from some branch of the family, but not always so among the Jhareja tribe; the latter are distinguished by the practice [illegible] in [illegible], destroying their female offspring; a practice we have not been able to suppress, from the difficulties in procuring any proof of the commission [illegible] of the penalties [illegible] under by [illegible].

1779. Why do they [illegible] daughters they only

only marry them to persons of the highest rank, and from this circumstance, the expense would distress them and beggar their means; these are the causes to which this horrible practice is supposed to owe its origin.

1780. You have given the Committee information with regard to districts that you were immediately connected with; what system of revenue collection prevails over the greater part of Bombay, that is immediately under the rule of the Company?—The system I believe generally is the ryotwar system, but a ryotwar system where you engage with the potail, after you settle the demand of Government upon each of the ryots or landholders; the potail only engages with Government to realize the assessments settled previously by the collector with the ryot.

1781. Is that system prevalent over the whole of that presidency?—I cannot speak from official knowledge of this fact, but I believe it is generally the system that is now established; the collector first settles the demands against each class of the landlords, according to the season, and the potail undertakes the collection of the revenue determined upon; this appears to secure the benefits of a ryotwarry settlement as fully as if we collected more directly from the landholder or ryot.

1782. Is each field separately specified?—Yes, each field in Gujerat; the districts have not been subjected to a new assessment; we have adhered to the mamool, or to the old rates of assessment, reducing them where they required to be abated; in no case were the mamool rates increased, unless in a case where, through connivance and fraud, they were improperly reduced from the customary standard from interested motives.

1783. Do you conceive that the difference you point out between the system in those provinces and the ryotwarry system as it existed in the Madras territories, namely, that of constituting the potail the collector of the assessment, leads to the more easy realization of revenue, or do you think it would be better for the revenue if it were collected immediately from the ryot?—I do not think there is much difference whether the revenue be realized through the potail, or direct from the cultivator, if the rights of individuals are well settled and defined, and the sum to be demanded from each landholder is registered in the village accounts; the potail, if properly controlled, cannot increase the fixed demand upon the ryot; this is the ryotwarry system, but with the potail in his natural station.

1784. Entrusting the collection to the potail, is it likely to render the collection more easy than if it was collected under the Madras system by native agents?—I think the collection through the potail, as a ministerial officer of the collector, and as the natural channel, to be the preferable system, when the rights and demands on the individual ryot are well defined and settled. I believe Sir Thomas Munro's object was to limit and define the demand, by an individual settlement with every ryot or landholder; after this object has been effected, and correct village accounts obtained, that form a register of the rights of Government and individuals, I consider the potail's agency in realizing the revenues to be preferable to any other servant of Government, as it is calculated to preserve him in his proper station, and is in conformity with the ancient usages of the country.

1785. Will you be so good as to explain in what manner the potail is paid for the collection of the revenue?—By fees and lands in some cases, and in some provinces by a per-centage; there are different rules prevail in each, but I think in

22 March 1832.

Lt.-Col. *Barnewall.*

Gujerat the potails have lost much of their profits since the introduction of our government.

1786. Under this system, has a very considerable increase of the population of the country taken place?—I believe a very considerable one.

1787. In the Bombay presidency has much waste land been brought under cultivation of late years?—A great deal of waste land has been brought into cultivation in all the districts.

1788. Does much remain uncultivated still, which is capable of any profitable cultivation?—Very little waste land that is fit for cultivation remains unoccupied in the eastern zillah, north of the Myhee.

1789. Does cultivation extend much in the Deccan?—I cannot speak positively to this point; I believe a great quantity of waste land has come into cultivation in the Deccan since the war of 1817.

1790. Is the tract of Malwa occupied by us?—Malwa is not subject to our direct rule, the chiefs within it are under our protection.

1791. Has not the improvement in that country, which is described by Sir John Malcolm as begun in so able a manner, continued to this time?—I believe it has.

1792. In effecting the detailed survey, which you have described, in those provinces of Gujerat in which you were employed, to what extent did you make use of native agency?—I made use of none but the collector's establishment and the village establishment.

1793. Did you find them quite competent to perform the duties?—It was a survey inspection of the lands, not a measurement. Every field was inspected and was registered; its name, its position, and its rent and the quantity of land ascertained, from the evidence of the potail and the occupying cultivators. The same fields were measured by Captain Cruikshank, who afterwards surveyed all the lands in the district, and the result of the actual survey showed a difference of little consequence with the accounts on record.

1794. Suppose that instead of making your settlement upon the village records as you found them, there had been reason to suspect the accuracy of those records, and you had proceeded to actual survey, would you have been able to find materials from the officers of that district to enable you to make an effectual survey? I think so; but it would have been necessary to teach people to survey.

1795. Did you afterwards correct your assessments?—We did, by revising them. That was easily effected after we had obtained this information. If we found in any case that the potail had lessened the assessment upon himself, and increased it upon the inferior ryot, we remedied this common occurrence, and relieved the ryot.

1796. Suppose it were the policy of the Government, where the village accounts could not be depended upon, to put the rents upon a different system; in what manner do you imagine it would be practicable to proceed?—I should adopt the plan of a survey assessment, otherwise a register of the land. Every field has a name and limits, and it only requires to register those limits, with the name of the cultivator who occupies the land, and the rent he pays for it, to form the village accounts.

1797. Supposing that you had no data to apprise you of the actual extent of those lands, and the produce that might be derived from them, how would you proceed to distribute

distribute an assessment of that description upon the land?—Local inquiry would give data to ascertain from the cultivator the situation of his land, the rent he paid for it, that paid for similar land in the neighbouring villages; and with this information, and the aid of other local information, the land would be assessed.

1798. Supposing he gave you an amount which was far below the fair amount of the land, what would you do in such a case?—For a time I might be deceived; but by information afterwards obtained, and by revisions, you would soon get accurate data to assess upon.

1799. May he not deceive you in two ways; by telling you that the amount of rent on the land was very much below what it should bear, or that the land comprised within his limits was smaller than it really was?—He might do so; and without a measurement you can never ascertain the exact quantity of the land, but can do so very nearly by inspecting it, knowing the extent of land, the situation of it, and the fertility of it. The rent could be ascertained by local investigation, or a near approximation to what should be levied upon it.

1800. When you spoke of a survey, did you mean a valuation?—There was no new valuation. The register contained the extent and class of every field, and the rent it paid.

1801. You spoke of a subsequent survey, which was found to correspond with this; was that merely a measurement of the land, or a measurement and valuation also?—A measurement only.

1802. If you had found the measurement to differ, how would you have adjusted that with the new measurement?—I should have entered in the village accounts the correct measurement, noticing it was from actual survey.

1803. Under any circumstances you would say, if it was the object of the authorities to obtain a detailed survey, the easiest mode would be to obtain the village accounts?—They would be of much use to those entering on the survey, and an essential record before a survey is completed, to protect the ryot from over-exactions.

1804. Are you sufficiently acquainted with the system pursued by Sir Thomas Munro, to inform the Committee how far he made use of the village accounts, and of the local information which he could obtain?—No, I am not; but I believe, from what Sir Thomas Munro states, that the village accounts could not be relied upon, and that his settlements with the people were made from the information they gave him, corrected by his own inquiries, and his information from the surveyors

1805. There has never been any actual valuation of the land, but the rents have been received?—The rents that are registered are the actual assessments that we found existing when these districts were ceded to us, in some instances reduced.

1806. Has there been any investigation made to ascertain how far those rents were fair, according to the value of the land?—The state and condition of the landholder in these districts were so prosperous under the assessments they paid, that Government thought it expedient that no new assessment of the land should be entered upon.

1807. Have you reason to think that they are fairly assessed?—I had reason to think so when I was employed in those districts thirteen years ago.

1808. The

23 March 1832.

Lt.-Col. *Barnewall.*

1808. The result of any test of the fairness of the assessment must be entirely in favour of the cultivator, because it would give you no criterion at all as to the deficiency of the assessment, although it might tell you if it was two great?—Judging from the prosperity and condition of the landholders up to the year 1821, when I last saw the districts north of the Myhee, their ryots appeared in a better state than any of the same classes I have observed in any other parts of India; but I still think these assessments require to be reduced when the necessities of Government will admit of it.

1809. Is it a flat country?—The Gujerat is a flat country, and very rich and fruitful; the fields are inclosed in the eastern districts, and the prosperity of the ryot within them is marked by his dress, the comfort of his dwelling, and the high cultivation of his fields.

1810. Have there not of late been several attempts made for the introduction of the cultivation of cotton into Gujerat?—Yes, there have; there is a farm established by the Company now at the town of Broach, and every pains is taken to improve the cottons, and show, by experiments, the benefits arising from attending to the improved cultivation of it, and from greater care in the gathering of and cleaning the cotton.

1811. Are you practically acquainted with the success of those improvements?—No, I am not.

Lunæ, 9° *die Aprilis*, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

HENRY ST. GEORGE TUCKER, Esq. called in and further examined.

9 April 1832.

H. St. Geo. Tucker, Esq.

1812. IT is the wish of the Committee to draw your attention to the state of the land revenue; can you call to mind what was the precise situation and duty of the zemindars previously to the permanent settlement?—The zemindar has been called by some authorities an officer of revenue. My own opinion is, that he enjoyed a beneficial interest in the land. I do not attach always great importance to *names*; but when I find the import of names corroborated by the actual state of things, the coincidence certainly gives authority even to the name itself. The zemindar, or *landholder*, was in possession of the land; he was allowed to enjoy, even when dispossessed, certain advantages from the land; he received, even when deprived of the actual administration of the land, what is termed nankar (subsistence), or malikànà (the proprietary proportion). We found the zemindars in Bengal in this situation; and when the question arose, in 1789, with whom the settlement should be formed, Lord Cornwallis, after a great deal of discussion, determined in favour of the proprietary right existing in the zemindars.

1813. Was the zemindar an hereditary officer?—He was the hereditary administrator, I should say, of the revenue, with a beneficial interest in the land.

1814. Did

1814. Did the eldest son succeed the father?—In general, I believe he did; for although the Hindoo law admits of a subdivision of property, the Mahomedan government found it more convenient to recognise a single individual in the management of the land, the family being usually subsisted from the nankar or malikana of the zemindar, or from some particular lands called generally "neez," a term which means "your own," or "peculium."

1815. Can you state, previously to the permanent settlement, what was the remuneration of the zemindar; was it partly by an allotment of land of the nature of glebe, called neez, and partly by a portion of the rent he collected?—When the zemindar was in actual possession, he was required to account for the revenue (the "malguzary sircar," as we term it). I believe, according to the usage of the country, the rent or produce was divided into different portions. The government, as I find in the Institutes of Acbar, was accustomed to reserve about one-third, as its dues or land-tax. The remaining portion was divided between the actual cultivators and the zemindar; the various officers employed under him in the administration of the land (canoongos, putwarries, mirdahs, pasbans, &c.) receiving a small "russoom," or customary fees. In the same work (the Ayeen Akbery) it is observed, if I recollect, that the rulers of Hindostan in former times reserved only one-sixth of the produce, but that the husbandman was subject to other taxes (kheròje).

1816. Did the zemindar take a fixed proportion?—I do not believe that there was a fixed proportion assigned him.

1817. Have you ever heard he took a tenth?—We recognised a tenth, as the most usual proportion.

1818. In addition to that customary tenth, did he also have the enjoyment of his "neez?"—He very frequently held family or "neez" lands.

1819. Can you say whether, at the death of the zemindar, the "neez" was divided among all his children, or whether he who performed the duties of the zemindar enjoyed the usufruct?—According to Hindoo usage, the heir or head of the family, where there is an undivided property, usually provides for the maintenance of the whole family. I speak not merely with regard to land, but property generally. A Hindoo family very often retains for a very considerable period a joint undivided estate.

1820. Then the Committee are to understand that those glebes that you call "neez" constituted an undivided property in the possession of the zemindar for the time being?—Generally, I believe they were. The zemindar provided for the subsistence of other members of the family.

1821. In one of your answers, you stated you conceived that the zemindar was in reality in possession of the land in the zemindary; can you describe what was the difference between his possession in the land in the zemindary generally, and that peculiar possession which you describe him to have had in the part called "neez?"—The zemindar held and administered the land generally; his own peculium, or "neez," he managed, I believe, more immediately through the agency of his family, servants, and dependants.

1822. Was his neez actually cultivated by his own family?—I do not say always by his own family; but rather by his family, his dependants, and servants.

[?], April 1832.

H. St Geo Tucker, Esq

1823. In one case, are the Committee to understand he was occupier and cultivator, and that in the other case he was collector of the dues from other ryots who occupied the remainder of the zemindary?—The remainder of the zemindary was of course cultivated by the ryots or peasantry of the country; and I would observe that ryot is a generic term, signifying cultivator or husbandman. There are different descriptions of ryots

1824. In the case of malversation, was the zemindar liable to bodily punishment?—I am sorry to believe that he was liable, even under our own administration, previously to the permanent settlement, both to confinement, and I fear, in some instances, even to bodily punishment.

1825. Was it the practice also occasionally to suspend them from their duties, and appoint other agents?—I believe that this sometimes happened; but that the Government still considered the zemindar to have a beneficial interest in the land, and was accustomed to provide him with a subsistence while he might happen to be dispossessed of it.

1826 Was it usual to appoint one of his own family to perform his duties, in the case of personal suspension?—I fancy it was very much at the discretion of the principal administrative authorities in the particular province.

1827 Can you say whether the personal property, and whether the land which you call "neez," held by the zemindar, could be confiscated in the case of his being removed?—I should suppose that a despotic government can confiscate without much regard to the rights of property; and I would not undertake to say what may have been the practice generally, either of the Mahomedan governments or our own, previously to the establishment of a regular system of law in our territory.

1828. The question pointed to what was the practice that prevailed under the Mogul rule, or our own, previous to the permanent settlement?—The Mogul government, it is notorious, was a very arbitrary government, but still the Mogul government respected rights and usages

1829. Did not the system of farming the land revenue at one time prevail under the Mogul government?—I believe that it did; or rather I should say, that the Mogul government, as well as our own, were much in the habit of employing aumils or managers, whenever they found that the agency of the zemindars did not answer their purposes.

1830. In that case, when the zemindar was superseded, but not for any particular fault, was not it usual to make him an allowance of a tenth over the malikànà?—I will not undertake to say that this allowance was always made, because the necessities of the Mogul government, and the necessities of our own government even, prior to the permanent settlement, may have sometimes abridged the tenth. They, the zemindars, may not have received a full tenth, nor the full malikànà, or nankar, which by usage they were entitled to receive.

1831. Still, however, there was an allowance made to the zemindar upon being superseded from his duty?—Generally speaking, the zemindar was considered to have an interest in the land, and to be entitled to receive subsistence from the land.

1832. You describe the zemindar to have been entitled both to nankar and malikànà; it has been elsewhere stated that the latter allowance is only derived in the

the event of the zemindar being deprived of his office; and that nankar, on the other hand, is understood to be strictly an official tenure; is that so?—My understanding is, that both nankar and malikānā are different terms for what may be considered the same thing; that is, the subsistence allowed to the zemindars when deprived of the possession of their lands.

1833. Under the system that prevailed before the permanent settlement, was not the zemindar also a magistrate, and superintendent of the police?—The large zemindars were very generally employed as police officers, and were held responsible for the police of the country; we exonerated them from that charge on the formation of the permanent settlement.

1834. As the position of the zemindar and his duties must necessarily have given him an intimate knowledge of all the individual cultivators in the country, was not he from his position and natural means eminently well qualified to discharge the duty of superintendent of police and magistrate?—My own opinion is, that some of the zemindars might have been employed with great advantage in superintending the duties of the police; but it was apprehended at that time that those powers might be exercised oppressively towards the people. The zemindars, from their connection with the inferior officers of the villages (the paiks, pashans, and others), had great means of procuring information, and had great influence in the country. Those circumstances would seem to have given them great facilities as officers of police; but I believe that our government was afraid of strengthening their hands, and of giving them a power over the peasantry of the country, which might have been abused.

1835. Were you personally acquainted with the state of the Bengal provinces before the permanent settlement, as well as afterwards?—I resided for about twelve months in the district (Gya, in South Behar,) where the permanent settlement was first commenced. I was then (in 1787) not in the service; I was, indeed, a mere boy. In 1788 and 1789 I resided chiefly in the district of Rajashahy, and for a short time in Dacca.

1836. Did you continue in the British provinces uninterruptedly down to 1811?—Yes, I did; I returned to India in 1812, and left the country finally in 1815.

1837. To a resident in the country, is the apparent condition of the ryots very different now to what it was before the permanent settlement?—The visible condition of the ryots may not be very different, because their habits, and clothing, and food, and houses, are all very simple; but my belief is, that the ryot is in a better condition now than he was formerly; that he obtains more food, is enabled to pay his rent more easily, expends more probably at marriages and other festivals, and is absolutely free from personal oppression.

1838. Still keeping your attention to the position of the zemindar, the Committee wish to ask you, whether the permanent settlement did not vest the nominal property in the land in the zemindar himself?—The permanent settlement, and the measures connected with it, had three great and important objects: the first was, to fix in perpetuity the demand of the government upon the land; the second, to recognise the proprietary right in the possessors of the land; and the third, to establish regulations for the purpose of maintaining their rights and all existing rights, and of subjecting the government itself and its officers to the dominion of law.

1839. Is

April 1832.

H. St. Geo. Tucker, Esq.

1839. Is it your opinion that the permanent settlement has effected those objects?—In a very great degree.

1840. Has it vested the proprietary right in the persons who must be considered the original possessors of the land?—My opinion is, that in investing the proprietary right, or rather, in recognising the proprietary right as vesting in the zemindars, who were the actual incumbents, the permanent settlement made the safest election which the Government could resort to at the time; but in making that recognition, the permanent settlement allowed all other parties who might be supposed to have or to claim rights, to bring those rights before the regular courts of justice: so far the permanent settlement did not involve the final adjudication of the rights of parties.

1841. Do you not consider that the permanent settlement conferred new rights upon the zemindars?—The permanent settlement conferred very great benefits upon the zemindars, no doubt; and the permanent settlement may be said to have created a valuable property, which did not before exist except in name; that is, the permanent settlement gave *value* to that which was before only a nominal property

1842. Did it not give to the zemindar the means of acquiring a much larger share of the produce of the land than he could have obtained before?—The zemindar, most assuredly, has obtained much larger rents now than he could ever have done, perhaps, under the former system; he has also had very great advantages from bringing into cultivation waste lands, which have formed a new source of rent to him.

1843 At the time when the permanent settlement took place, did the zemindar give up altogether his judicial and financial authorities?—The zemindar was deprived of all judicial authority under the permanent settlement and the Regulations of 1793.

1844. Was not he at the same time exempted from all liability to personal or bodily punishment in the case of his payments going into arrear?—That was one of the great benefits of the permanent settlement, namely, that the zemindar was absolutely exonerated from everything like corporal punishment or bodily infliction.

1845. In the case of the rent running in arrear, and his being unable to collect it from the ryots, was not he liable to be deprived of his newly-acquired estates?—His lands were made liable to public sale for any arrears of revenue, and this was the species of coercion which the Government reserved to itself as the means of realizing the land revenue.

1846. Is there no imprisonment in default of payment?—In the event of the estate selling for a less sum than the arrear, he, like every other debtor, was liable to be confined; but this is a power which I believe the Government seldom, if ever, availed themselves of.

1847. Suppose the case of rent being in arrear more than a month, were not the collectors required to put the estate up for sale?—When the kist, or instalment, became due, the usual process was to advertise the lands for sale, giving a certain notice, the zemindar having been previously called upon to pay the government demand.

1848. According to the manners, habits, and customs of the country, which do you think that an ordinary zemindar would have preferred; losing his estate by the

the process of sale, or being subject to corporal punishment or imprisonment?—I really cannot undertake to answer for the zemindars generally or particularly; but I should think that it is in human nature that men should abhor and avoid corporal punishment.

1849. Is it not equally in human nature that men should wish to avoid having their estates sold; the question went to which they would dislike the most?—The sale of his estate must, no doubt, be considered by the zemindar a very great evil; but which evil, in his estimation, would preponderate, I am not prepared to say. A Rajpoot would, I imagine, sacrifice both land and life rather than submit to disgrace.

1850. In the case of the non-payment of rent due by the ryot to the zemindar, had he, by the regulations under the permanent settlement, the power of proceeding in as summary a manner against the ryot as the Government could proceed against him?—The zemindars had the power of levying distress, but from the poverty of the ryots and other circumstances, they could not always realize their rents as rapidly as they were called upon to make good the public revenue; it had indeed been found by experience, during several years after the formation of the permanent settlement, that the zemindars had not power sufficient to realize their rents in due time.

1851. Will you describe to the Committee the power of distress which the zemindar obtained under the settlement of 1793?—He was obliged to give previous notice of distress; and in cases of contested demands, I believe the ryot, or under-tenant, could remove the question relating to the demand for rent into a court of justice.

1852. Practically then, in every case, was not he compelled to bring an action against the defaulter in a public court, and lay out of his money until a decision was given?—I believe not: he had the power of levying distress, but not in so summary a manner as he was afterwards empowered to do under Regulation VII. of 1779. Without referring to the Regulations of 1793, I could not undertake to detail the particular process by which the rent of the zemindar was enforced from the ryot; but we found generally by experience, that in cases of combination among the ryots, the hands of the zemindar were not sufficiently strong to enable him to realize his rents as expeditiously as he was called upon to make good his revenue.

1853. Did not the courts to which the ryot resorted become very rapidly choked up with business?—The courts of justice, immediately after the institution fee was taken off (in 1793, I think), were extremely burthened with suits.

1854. Is it within your knowledge, that as early as the year 1795, in the district of Burdwan alone, 30,000 suits were depending in the courts?—I have no precise knowledge of the particular fact of 30,000 suits being instituted in Burdwan, but I do know that a very great number of suits were instituted in that district, and in the district in which I myself held a judicial situation in 1793 and 1794, the district of Rajashahy.

1855. Was the increase of suits in those courts very rapid immediately upon the settlement of 1793?—Prior to 1793, I would say, there was scarcely a regular tribunal for the administration of civil justice in the country. In 1793, regular courts of

9 April 1832.

H. St. Geo. Tucker, Esq.

of justice were established by Lord Cornwallis throughout the country; and very speedily after their establishment there was an extraordinary influx of suits; but this was considered to have arisen, in a great degree, from the removal of that check which had previously existed; I mean the "institution fee," or tax upon judicial proceedings. This tax was, I think, taken off in 1793. We had courts of justice prior to 1793, but the collectors were the judges, and everything gave way or was subordinate to the duty of collecting the revenue.

1856. Previously to the establishment of the system of 1793, was any attempt made to ascertain and record the rights of the hereditary cultivators usually known by the name of Khode-kàsht and Kudeemy ryots, and thereby to secure to the judicial authorities means of deciding questions affecting this numerous class of persons?—The Regulations of 1793 recognised the zemindars, talookdars, and others as the proprietors of the land. There were under-tenants of various descriptions who held land under the zemindars; one class of these, bearing the designation usually of "khode-kàsht" ryots, were cultivators domiciled in the village, and generally favoured by the zemindars as a fixed and useful peasantry. There were other descriptions of ryots or cultivators, called paye-kàsht (payeen-kàsht), who were not domiciled in the village, and who cultivated from time to time, as they found employment under the zemindars. There were also ryots who may be considered as mere labouring peasants; there were under-tenants, under the designation of "dependent talookdars;" and there were other descriptions of persons holding a more permanent interest in the land, or rather a right to pay a fixed rate of assessment, designated "mocurreydars" and "istimzardars;" and in all cases where it should appear that the latter description of persons had held their lands at a fixed assessment for the period of twelve years, which constituted, in various instances, with us a sort of prescription, the right of those persons to continue to pay at the same rate is clearly recognized and established by the Regulations of 1793. There is a provision also in Regulation VIII. of 1793, section 60, clauses one and two, in favour of the under-tenants and khode-kàsht ryots; the object of that section being, I believe, to continue to the khode-kàsht ryots, who might have obtained, under pottahs or usage, a right to pay particular rates, a continuance of those rates, unless it should appear that their pottahs or leases were collusively obtained. With respect to the more general question, whether any measures had been taken to inquire into the rights of the different parties connected with the land, I should say that those questions were most elaborately considered and discussed by the government of India, and under them, by their officers; and that the result of this consideration was a recognition of the rights of the zemindars as landholders, a reservation being made at the same time in favour of all other existing rights.

1857. The Committee understand you to have stated by that answer, that according to the theory of the settlement of 1793, all the rights belonging to the persons you have named, according to the peculiar form of tenure of property in Bengal, were reserved to those persons; will you be so good as to inform the Committee whether any means were resorted to for the purpose of defining and ascertaining in detail, in the different districts in which the permanent settlement was put in operation, the rights and properties of the different individuals described as hereditary

ditary cultivators; were there such previous examinations and records of their rights as enable the Government now to maintain and secure to the persons the rights that were in them at the time the settlement was put in force?—If it be intended to ask whether there was a general classification of rights, either under the permanent settlement, or by the Regulations of 1793, I should say that no such classification was attempted; for my belief is, that the peasantry were upon a different footing in different provinces, and that it would have been extremely difficult to have ascertained precisely the rights of all parties, under usage or otherwise. With respect to Bengal Proper, we have a timid and feeble peasantry; and I should very much doubt whether this peasantry ever obtained what may be called *rights* of *property* in the land. When we ascend to the Western Provinces, beginning with Behar and Benares, we find a different race of men, a bolder and more sturdy peasantry, men who may have acquired some rights in the land; in point of fact, the målic mocuddams and village zemindars of Behar, Benares, and the Western Provinces, have, I believe, rights; and in regard to Benares, I should say that those rights are recognised by the Regulations of 1795. The zemindar of Benares for some time opposed the recognition of the rights of the village zemindars in that province, when the permanent settlement was first undertaken by the late Mr. Duncan; but he, the rajah, afterwards waived his objection, and the settlement was finally made, with his concurrence, with the village zemindars. In the Ceded and Conquered Provinces, where I was employed for a short period, and where I was deputed in 1807 for the purpose of forming a permanent settlement, one of my great difficulties arose from the uncertainty which appeared to me to exist with respect to landed tenures in that country. The superior landholder is there designated "talookdar;" and there were at the same time under him village zemindars, who appeared to me to have certain rights in the land, although the revenue was paid generally through the "talookdar," or principal landholder.

1858. In the provinces that were first made subject to the settlement of 1793, had the original constitution of society, which appears to have prevailed pretty much over the East, been much disturbed by the Mogul conquest; were the village rights in existence there in their perfection, or had the property been much disturbed by the events that had taken place?—I cannot undertake to say precisely how far the Hindoo institutions were in force in particular provinces after the Mogul conquest. I believe that there existed under the Hindoo government, various institutions, which have been called elsewhere "corporations;" and it appears to me that the Mogul government, though extremely arbitrary and rapacious, was disposed to maintain the institutions which it found established; and in general it employed the agency of Hindoos in the collection of the revenue, and in all financial concerns.

1859. In a previous answer, you have alluded to the change that had taken place in the year 1799; at that period, was a summary power granted to the zemindar of distraining upon the ryots, in case of their rent running in arrear?—A very summary power was granted to the zemindar to enable him to levy distress, under Regulation VII. of 1799. This Regulation originated in the circumstance of a combination having taken place among the inferior tenants ("jotedars") and ryots, chiefly in the district of Jessore, where the zemindars were set at defiance, and where it was found

9 April 1832.

H. St Geo. Tucker, Esq.

found by the Government, that under the then existing regulations, they could not collect their rents in time to admit of their paying the public revenue.

1860. Previously to this regulation being enforced, had not a very considerable number of ancient zemindars been dispossessed, by the sales that had been resorted to, in consequence of the non-payment of the rent or land-tax?—Some of the zemindars had been dispossessed by the sale of their lands, under the operation of public sales.

1861. By some, do you mean a small proportion?—I could not undertake to give the proportion. The larger zemindaries were those of Burdwan, Nuddeah, and Rajashahy. The whole of the Rajashahy estate had I believe been brought to sale prior to 1799, and a portion of the Nuddeah zemindary; but the Burdwan zemindary, the largest in the country, exists to the present day.

1862. Can you form any idea, with respect to the whole territory, what portion had been transferred; was it a half, or one-third, or what?—I could not undertake to determine the proportion; my belief is, that in many instances where sales took place, the estates were purchased in Biname, as we call it, either by the proprietor himself, or by some of his family or dependants, so that the actual transfer of property was not so great probably as the account sales would seem to indicate.

1863. You have no doubt it had taken place to a considerable extent?—Certainly a very considerable number of estates were brought to sale; into what hands they passed we cannot exactly say.

1864. What class of persons became the purchasers of those lands?—The native capitalists. The merchants and bankers of Calcutta have purchased estates in very many instances.

1865. Have banyans, money-lenders, menial servants of Europeans, and the under officers of courts, become purchasers to any extent of the zemindaries, or have they upon sales fallen into more respectable and better hands?—I should say generally the native capitalists in Calcutta were the chief purchasers; but instances have no doubt occurred, where the native officers, and the vakeels of the courts of justice, have become purchasers of land.

1866. What was the effect of vesting a new and summary power of recovering rents in the hands of those new zemindars?—They were enabled to collect their rents more regularly, and I am not prepared to say that it did not give them the power to commit abuse; we went perhaps rather to the other extreme, in our wish to strengthen the hands of the zemindar.

1867. Practically, was not a great change in the state of society in India produced by the new power vested in the hands of the zemindars?—Practically, I do not know that any great change took place in the condition of the people.

1868. Do you think that any oppression was exercised by means of this new power?—I think it very possible that those new powers may have been abused, as all power is liable to be.

1869. Did it come to your own knowledge, or do you believe from what you know of India, that such powers have been abused?—I could not undertake to detail any instances where such abuses may have taken place. I can only state generally, that I think it not only possible but probable that the zemindars may have exercised their new power, in particular instances, in an oppressive manner.

1870. Has

1870. Has not a species of theft and robbery, called "decoity," prevailed latterly in the lower provinces of Bengal?—"Decoity" has prevailed in Bengal more or less, I believe, at every period of our government. The degree has depended very much upon the activity and vigilance, the intelligence and energy of our officers.

1871. Did the Regulations of 1799 manifestly tend to increase that crime?—I think not.

1872. When a sale of land took place in order to enforce the payment of the revenue, did the new purchaser consider he was bound to respect the rights of the hereditary village ryots?—The new purchaser, by means of his purchase, acquired no rights beyond those of the former incumbent, with this exception, that certain leases (farming leases) were cancelled by the operation of the sale. This provision was made in order to prevent the alienation of the public revenue by means of fraudulent and collusive leases in contemplation of the sale of the land.

1873. Do you know whether the decisions of the courts have been consonant with the opinion you have expressed?—I have heard that the courts have maintained different opinions. I can only state what my own construction of the Regulations is.

1874. Practically, however, if the courts decide and maintain opinions different from yours, must not those who had rights on the estates sold, have lost their rights?—I should say, if any individual has lost his rights, it must have arisen from the misapprehension and misapplication of the law, because my belief is that the law intended to uphold all rights.

1875. Has the permanent settlement been established in the Ceded and Conquered Provinces?—I am sorry to say that it has not.

1876. What has taken place upon that subject?—In 1803 the Government of India proclaimed to the landholders in the Ceded Provinces, that the settlement, which was concluded for ten years (in three different divisions of three and four years), should be made permanent, in the event of the lands being brought into a sufficiently advanced state of cultivation, and in the event of the landholders having fulfilled, during the period of their decennial lease, their engagements with the Government. A similar assurance was given to the landholders of the Conquered Provinces in 1805. The Court of Directors recognised the promise made by the Government of Bengal to the landholders in the *Ceded* Provinces; but no decision was passed on the reference made with relation to the Conquered Provinces. In point of fact, different opinions began to prevail in this country with respect to the expediency of declaring the settlement of those provinces permanent; and latterly, that is from the year 1814, the Court of Directors have discouraged all such settlements.

1877. Can you state to the Committee what is the nature of the change that has taken place in the opinions entertained upon this subject?—The ostensible reason has always been that we were not sufficiently acquainted with the rights of parties, with the nature of the tenures, and the state of the country, to enable us to do justice to the people; but I cannot divest myself altogether of the idea that we were unwilling to relinquish the chance of increasing our revenue. A very large increase did actually take place after the expiration of the decennial leases; but we seem now to have arrived at our maximum, for in several instances the revenue has,

9 April 1832.

H. St. Geo. Tucker, Esq.

has, I believe, declined. My simple opinion is that there was a violation of faith with regard to the "*Ceded* Provinces," where the settlement ought to have been declared permanent in any and every case where the two conditions had been fulfilled.

1878. In the case of the permanent settlement being established in the Ceded and Conquered Provinces, would you establish it under precisely the same rules and regulations that have taken place in the Lower Provinces?—I would not say *precisely*. From the impressions I have received, I should he disposed (although it is a large and a nice question, and perhaps I may be considered as giving opinions out of place), but I should have been disposed to have formed a settlement with the village zemindars, employing the agency of the talookdars or principal landholders, as administrators of the revenue, with a beneficial interest in the land.

1879. Would you have vested the property in the land in the zemindars?—I should have recognised a beneficial interest in the village zemindars, and also in the superior landholders; and I should have given both, as far as possible, a permanent tenure. I am, however, I fear, travelling out of the record in hazarding opinions upon a very great question. With respect to the ryot, I may add, that although I consider it not only highly desirable, but necessary, to recognise and uphold *all* rights which may have been acquired under prescriptive usage or otherwise, I cannot consider the right to cultivate and to occupy as any substantial right whatever. I should call it the *obligation*, rather than the *right* to cultivate; and this very obligation may be so onerous as to destroy the value of what is called the "right of occupancy." I consider the term *right* to be altogether misapplied to mere occupancy under an obligation to cultivate upon uncertain terms.

1880. Can you inform the Committee whether upon estates called jaghires, there existed a class of officers called zemindars?—Jaghires were land tenures given to particular public officers and other favoured individuals, for their lives; but I consider them generally to convey the right of the government to its proportion of the produce of the soil. In some instances, where jaghires were granted, a small peishcush, as an acknowledgment of sovereignty, was reserved by the government, but I do not consider the grant of a jaghire as annihilating the rights of landholders. The East India Company received from the Nawaub Meer Jaffeer sunnuds or grants for several purgunnahs or districts; but I do not understand those grants as conveying anything more than the fiscal dues of the Mahomedan government; the rights of all zemindars, talookdars, chowderies and others, remaining precisely the same as they existed before such grant was made.

1881. What has been the effect of the permanent settlement upon the possession and occupancy of land, as it is transferred upon the death of one possessor to another?—The permanent settlement has not changed or superseded the Hindoo law; estates are now liable to be divided under that law. The Mahomedan government, I believe, in the instance of the larger zemindaries, exercised the power of continuing a particular individual of the family as zemindar, usually observing the right of primogeniture.

1882. Is there any doubt that that system universally prevailed previously to the settlement of 1793, both under the Mahomedan government and our own?—Previously to 1793, the country under our administration was either farmed or was administered

administered generally by aumils. The zemindars paid their revenue to those aumils or farmers under the same system, I believe, which prevailed under the Mahomedan government. The head of the family was usually, I believe, recognised as the zemindar, but many of the zemindars were ousted by the farmers, and were fugitives in different parts of the country.

1883. Has not the effect of the permanent settlement been, as far as it has applied to the inheritance of land, that on the death of the zemindar it has been divided, whereas formerly one individual succeeded to the powers, the property and the right which the zemindar enjoyed?—On the death of the zemindar it is not *necessarily* divided, because he can, by bequest, assign the property to any one of his children, or divide it among his heirs. In cases where no such disposition has been made, the law takes effect. We recognise the right to convey property generally by sale, gift, or bequest. The zemindar is perfectly master of his property, and he can dispose of it, or leave it subject, perhaps, to certain provisions and limitations imposed by law or usage. Where no destination shall have been made by the zemindar, the Hindoo law of inheritance takes place.

1884. In point of fact, is it not customary upon the death of the zemindar for his property to be divided equally among all his sons?—When no particular destination has been made by him, I believe it is.

1885. Is not that the most frequent course of practice?—I could not undertake to say what has been the general practice. I believe that, from family pride and other circumstances, it frequently happens that property is left to a particular individual. In other cases, estates are held as joint undivided property, and we are sometimes called upon, under our regulations, to divide that property among the heirs.

1886. In the case of a sale of land, in consequence of the rent having run in arrear, is it not necessary that the defaulter should have due notice of the intended sale, before such sale can be rendered valid?—Invariably.

1887. By Regulations XXI. and XLVIII. of the year 1793, is not every transfer of landed property paying revenue to the government required to be registered?—If the Regulations referred to (which I have not in perfect recollection) be those intended for the establishment of quinquennial registers and registers of intermediate mutations, I should say that all transfers of land, whether by public sale or otherwise, were required to be registered; but I am afraid that those Regulations have not been duly enforced, and that the registers have not been regularly prepared and kept up.

1888. Are you aware that Mr. Elliot has stated that the transfer of names in the collectors' registers, in 90 cases in 100, have been totally unattended to in every district in Bengal?—I am not acquainted with this particular fact; but I have great reason to believe that those registers were not properly attended to. In point of fact, those registers were by no means calculated to be as useful, in my opinion, as the registers maintained formerly by our canoongoes.

1889. What was the duty of the officer called canoongoe?—The duty of the office of canoongoe was to register all transactions of any importance relating to the rents and revenues of the land. It is, I think, much to be regretted that this office was abolished at the period of the permanent settlement; for although it was assumed that

9 April 1832.

H. St. Geo. Tucker, Esq.

that it had become inefficient from having been much neglected, and that the records were often fabricated for the purposes of fraud and abuse, yet it is an office which, under proper superintendence, was likely to have been extremely useful. In reality, as a commissioner employed in the "Ceded and Conquered Provinces," I strongly urged that this office should be maintained, and it was maintained; subsequently, as a member of the board of revenue in Calcutta, I concurred with my colleague in recommending that it should be re-established in the Bengal provinces. I consider this office, under proper regulation, to have been much more efficient than our regulations for the formation of periodical registers.

1890. What attempts have been made to restore the office of canoongoe in the Bengal provinces?—The office has been re-constructed, although our proposition was not immediately adopted. It was submitted to the Government in 1808, but was not acted upon at the time. Since I have been a Director, I have had occasion to refer to the records; and although I find the recommendation upon the proceedings of the Board of Revenue, it does not appear on those of the Supreme government.

1891. Do you think it would be possible, with the assistance of that officer, to restore the original frame of society and tenure of property in Bengal, and restore the rights of the original cultivators?—I really do not know what the rights of the original cultivators in Bengal actually were. Under the Regulations of 1793, the zemindars were required to consolidate all arbitrary cesses, termed by us abwaubs and mhàtotes, and to take from the ryots a ready-money rent, according to the nirkbundy or pergunnah rates. I do not know that by means of the office of canoongoe, we could now establish particular rates for the rent of land; these rates are liable to alteration: they have in many instances, where indigo and other valuable products have been cultivated, very greatly increased. I should doubt extremely whether we could now fix any rates to which the zemindar could be restricted in collecting rents from his ryots or cultivators.

1892. Is the litigation that is said to have arisen from the change that took place in 1793, respecting landed property in the Bengal provinces, upon the increase or decrease?—Prior to 1793 there was very little subject-matter of litigation, because there was very little that could be considered valuable property in the land; no doubt the land, having now become valuable, is the subject of great litigation, and we have found very considerable difficulty in subdividing estates (in making bautwarras). I have no reason to believe that litigation is increasing. In the Bengal provinces it was very much encouraged at one period, by the total inability of our courts to overtake the business, and adjudicate the numerous suits, both for land and other objects, which were brought into the courts of justice; but we have, by means of the appointment of native moonsifs or judges, kept down our file of suits very materially. I believe, I cannot speak with confidence from recollection, but my impression is, that our later reports of the state of our judicial proceedings are satisfactory, inasmuch as they show that a very large proportion of the suits instituted have been decided or settled within a moderate space of time.

1893. The Committee understand you have not information that will enable you to state whether upon the whole the questions that arise from the uncertain tenure of property are increasing or decreasing?—I am not prepared to assume as fact, that

that uncertainty with respect to the tenure of landed property actually exists; nor can I undertake to say, whether suits originating in the tenure of land have materially increased or not of late years.

1894. You were one of the commissioners appointed by the Governor-general in the year 1807?—Yes, for introducing the permanent settlement into the Ceded and Conquered Provinces.

1895. In the Report of the 13th of April 1808, it appears that you considered yourself compelled to represent to the Government, that it would not be expedient at that time to carry their instructions into effect with regard to the Ceded Provinces?—I was of opinion that the Ceded and Conquered Provinces were not in a condition at that time to admit of our forming a permanent settlement immediately, without making a sacrifice of the public revenue, nor without perhaps recognising the rights of parties with respect to whom some uncertainty existed; but I have always maintained and advocated the principles of the permanent settlement, and even at that period I proposed, with my colleague, to introduce the permanent settlement in the district of Agra, and in a small pergunnah (or division) of Etawah, where I thought the settlement could be made without much sacrifice and with great advantage. Agra was at that time a frontier district, it was under excellent management, and it appeared to me desirable to give the landholders on our frontier a permanent interest in the stability of the British Government.

1896. Then the Committee are to infer, that you considered it unseasonable at that moment?—I considered that the country was not in a state of preparation for it; that we had not sufficient materials; that some of our collectors were not sufficiently experienced, and that there was a large quantity of waste land which could not be assessed; and that without assessing this land, we must necessarily have made a considerable sacrifice of the public interests. The event has justified this caution and delay, for a very considerable increase of revenue took place after the period when the commissioners recommended that the permanent settlement should be postponed.

1897. The Government of course entirely concurred in your views?—Some of the members of government did not concur. Mr. Colebrooke, Mr. Lumsden, and indeed Lord Minto, I believe, did not concur, and they sent up commissioners to form the settlement after the expiration of the decennial leases; but it has not yet been concluded.

Martis, 10° *die Aprilis,* 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

III.
REVENUE.

10 April 1832.

Lieut.-Colonel
Wm. Henry Sykes.

Lieutenant-Colonel WILLIAM HENRY SYKES, called in and examined.

1898. How long were you in India, and what situations have you held there?—About 28 years. For many years I was interpreter in the Hindostanee and Mahratta languages to a regiment; during the last Mahratta war I commanded a regiment in the field; from November 1825, to January 1831, I was statistical reporter to the government of Bombay, combining also the office of naturalist.

1899. With what districts were you principally conversant?—The four collectorates of the Deckan.

1900. Will you have the goodness to state what is the principal source of revenue in the Deckan?—The land-tax is the principal source of revenue.

1901. What proportion does it bear to the whole revenue?—In the four collectorates of the Deckan the proportion is 82 3/10ths per cent. of the whole revenue; it varies a little in the different collectorates. It is 78 nearly in Poonah; 89 in Ahmednuggur; 83 3/10ths in Dharwar; and about 83 1/4 per cent. in Khandeish.

1902. Does that comprehend the whole of the provinces of which the Deckan consists?—It comprehends the whole of the British provinces of the Deckan.

1903. Will you have the goodness to inform the Committee what is about the size of the Deckan?—The size of the Deckan is 48,087 square miles, including the Rajah of Sattarah's and Southern Jagheerdars' territories, equal to the size of England, and not quite so large as Ireland and Scotland conjoined.

1904. What is the population of the Deckan, as nearly as you can state?—The population of the four collectorates, Rajah of Satarah's and Southern Jagheerdars' states, is 3,285,985.

1905. Do you believe the returns to be accurate?—The returns from the collectorates are accurate, no doubt; I have no reason to question them, and in many instances I have proved their accuracy.

1906. In what year was that?—It was 1827–28. The population of the Southern Jagheerdars' territories and the Rajah of Sattarah's territories is by computation; the rest is from official returns.

1907. Of what class of persons do they consist?—Principally Mahrattas, who are cultivators of the soil; these constitute from 69 to 74 1/2 per cent. of the whole population in the different collectorates.

1908. Of what class does the remainder consist?—The remainder consists of outcasts, or low castes of Mussulmans, Brahmins, and Rajpoots. The Brahmins varying from 4 1/2 per cent. in Dharwar, to 11 1/3 per cent. in Poonah; the Rajpoots from a half per cent. in Poonah, to 3 1/2 in Khandeish; the low castes from 9 3/4 per cent. in Poonah, to 14 3/4 in Khandeish; and the Mussulmans from 4 1/3 per cent. in Poonah, to 8 1/2 in Dharwar.

1909. If

1909. If the Mahrattas are Hindoos, in what way do you distinguish between the portion of Hindoos which are called Mahrattas, and those that are not?—The Mahrattas are a nation speaking a language peculiar to themselves. The nation comprises Mahratta Brahmins, Mahratta low castes, and other various castes of Hindoos; but the genuine Mahratta belongs to that great division of the Hindoos denominated Shoodrah, a division comprising an infinity of distinctive groups or races, none of the members of which will eat or intermarry with Shoodrahs not belonging to their own group or race. There are certainly minute shades of difference amongst the Mahrattas, but no distinction of caste. There are local circumstances that probably prevent one family intermarrying with another, but still every Mahratta can eat with his neighbour Mahratta, unless the latter should have been expelled from his caste, an event of no unusual occurrence.

1910. In what situation are the Mahomedans in the Deckan?—Precisely on a footing with other subjects of the Government.

1911. Have they purchased property?—Yes, they have; they are in possession of considerable property.

1912. Do they hold permanent offices under Government?—Yes, in common with all the other subjects of the state, where individual talent is applicable.

1913. Are they in a more elevated situation than other subjects?—I think, on the whole, the minds of the Mussulmans are superior; the Mussulmans are men of greater elevation of sentiment, greater energy of purpose and dignity of character; they are more luxurious and dissipated, but they are decidedly more martial, manly and cultivated, as a people, than the Hindoos: they are, however, great bigots, which the Hindoos are not

1914. Do they harmonize well with the Hindoos, or is there much prejudice and jealousy and ill-will prevailing?—They harmonize very well indeed, the Hindoos even assist to celebrate some of their religious festivals; and it is very remarkable that all the butchers' meat consumed by the Hindoos (which is considerable), is prepared, as far as the slaughter and cutting up of the animal goes, by Mussulman butchers only.

1915. Do they, when in power, treat the Hindoos kindly?—I could not say to the contrary, within my own knowledge.

1916. Does the land revenue, as it is collected in the Deckan, press heavily upon the cultivators?—From its amount it would not seem to do so; but it is a question of comparison; 1 *s.* an acre may be more onerous where there is not a profitable sale for its produce than several pounds per acre where there is a sale. A beegah, in the Deckan, is as nearly as possible three-fourths of an acre by measurement. The average assessment for the whole country, taking all the beegahs of land under cultivation, and the amount of land-tax levied from them, is 2 *s.* 9 *d.* and one-eighth per acre, including all classes of land.

1917. In that statement do you mean to exclude all waste land and unappropriated land?—Only the land on which tax has been levied is included, excluding all waste land, of course.

1918. Is this land inclosed?—Very rarely, except in gardens; there are seldom hedges to field-lands.

10 April 1832.

Lieut.-Colonel *Wm. Henry Sykes.*

1919. Are its boundaries well known and defined?—The boundaries are well known by stones; and it is the duty of one of the village officers to look after the boundaries constantly.

1920. What proportion does the land thus occupied and defined bear to the whole surface?—That I only know for two of the collectorates, Dharwar and Khandeish. The proportion of waste land in Khandeish is 84 and 68 decimals per cent. of the whole land; the proportion of waste land in Dharwar is only 38 and 89 decimals per cent.

1921. In the districts with respect to which you cannot speak so accurately, is there a larger or a smaller proportion of waste land?—I would infer one-third waste in Poonah and Ahmednuggur.

1922. Of that which is waste is a considerable proportion capable of profitable cultivation?—Certainly so.

1923. Is there a large portion of this district that is so mountainous and poor as to be incapable of profitable cultivation?—The country is a rocky country, and mountainous also, to the westward, with very steep sides to the hills; in very many instances I think that land of that kind is not capable of profitable cultivation, but it makes good pasture land. In the western hilly tracts the slopes of the hills are frequently sown with the bread-grains, sawa (panicum frumentaceum) wuree (panicum miliare) and natchnee (eleusine coracana).

1924. Is that answer confined to the two districts you are conversant with?—I believe it to apply generally; but I would rather confine it to Ahmednuggur and Poonah.

1925. Is there a considerable portion of it forest, or covered with either timber or brush-wood?—There is a great deal of wood in Khandeish. I have not personally visited Khandeish; but I know it to be over-run with jungle. Along the western Ghauts, comprising the Dharwar frontier, the Sattarah frontier, and the Poonah frontier, and part of Ahmednuggur, there is a depth, I think, of from 30 to 50 miles of mountainous vallies, studded with clumps of forest trees; and there is also a good deal of jungle.

1926. In whom is the property of this land, in the Government or in individuals?—I think along the Ghauts individual property is not so distinctly marked as it is in the flat country; but wherever the villages are well settled, the property of the soil is undoubtedly in the villagers, even in the Ghauts. I think Government has a right to all the wood on unoccupied land along the Ghauts, and possibly to the land also, which is comparatively of such little value, and is so much dependent upon the cutting down of the brush-wood for yearly cultivation, that the cultivators can rarely occupy the same site for two successive years. This species of cultivation is assessed by the hatchet. Lands in the vallies are nearly on the same footing as in the flat country.

1927. Does the climate of the Ghauts vary much from that of the plains?—Yes it does; the temperature is much lower, and from five to eight times the quantity of rain falls; rice is cultivated in consequence to a considerable extent in suitable situations.

1928. With respect to the land that is not actually cultivated, if it belongs to a village, may the Committee presume that the village regulations would be such as

as to enable persons to cultivate it if they had means and wished to do so?—I think, as far as my inquiries go, there is no land whatever in the country that is not comprised within a village boundary, whether in the Ghauts or on the plains; there is nothing in which the people are so particular, so rigid, and so tenacious, as of their village boundaries. On the ryotwar system Government claims the right to dispose of waste lands; on the mouzawar, or village system, the villagers did as they pleased with them; but in either case there would not be any difficulty in obtaining them.

1929. Has the tillage of late years been much extended in the collectorates?—It is a very curious fact, but from returns I have taken of eight towns in different parts of the country, for the purpose of ascertaining this point, and comparing the quantity of their lands in cultivation under the British, with the quantity under the Mahratta government, I found that there was certainly less under our Government than under the Mahratta government; the general belief is, that the cultivation is increased.

1930. Upon what is that belief founded?—Probably upon the unusual cheapness of grain, which would seem to imply extended cultivation and increased produce.

1931. Do you speak to extensive districts, or only to parts?—For the purpose of ascertaining the fact, I took eight towns in different parts of the country; the result was, that there had been less cultivation in 1828 than under the Mahratta government in those eight towns.

1932. Is the cultivation diminishing or increasing at the present time?—I should hope it were increasing again.

1933. Do you think it is increasing?—To the last two or three years I cannot testify; but if the Committee will allow me, I will give the identical comparison previously referred to. Under the native government the cultivation was 43,458 beegahs, and the assessment was 44,307 rupees, comprising years from 1787 to 1818. Under the British, in 1828, those identical towns had under cultivation 39,817 beegahs, assessed at 35,711 rupees, a diminution of 3,041 beegahs. The average assessment per beegah under the native government, was one rupee and eight reas. The assessment under the British was three quarters and 58 reas. These are taken from the original native papers, and not from any European document.

1934. Can you at all explain or account for that unexpected state of things?—It may be referred to the exceeding cheapness of produce, which induced people probably to withdraw their labour from the cultivation of land.

1935. In what way do you think the demand is actually diminished?—By a considerable decrease in the number of manufacturers; by a possible diminution of the population from cholera; and similar cheapness of grain in neighbouring states may have prevented exportation. The problem may be solved by supposing consumers converted into producers; but if such be the case, increased cultivation should appear on the returns.

1936. Were there under the native powers greater military establishments, which constituted a class of consumers that have since been withdrawn?—There were great masses certainly; but most of those people are in the country still, they equally

10 April 1832.

Lieut.-Colonel *Wm Henry Sykes.*

equally consume now; neighbouring powers have reduced their armies, and could not employ them.

1937. Has there been a larger import of grain from more fertile parts of India? —That I can scarcely suppose, because if the native grain was so cheap in the country that it could not be sold, there would necessarily be no buyers for such foreign grain.

1938. Supposing the fall of prices to have taken place, which has been the case universally in all India, would it not have been natural that the worst classes of land in a district like the Deckan would have been thrown out of cultivation, and the part of the supply which was drawn from those sources be taken from more fertile parts of India?—Where there is so much choice from waste land of a good quality, it is to be presumed the class of lands alluded to would not generally be cultivated. The superfluous produce therefore cannot be accounted for in the way proposed.

1939. Taking the Deckan generally, is it a less fertile country than the other parts?—A less fertile country than Berar, I believe.

1940. Do you think it could be accounted for by the diminution of the population?—The population I think has been nearly stationary. The population may be slowly diminishing while cholera prevails. I have the returns for one year. The deaths exceed the births, but not to any great extent.

1941. What circumstance has tended to check its increase?—I think in tropical climates there is a less tendency to increase than in extra-tropical. I have reason to believe that women of the Deckan average a smaller number of children than the women of Europe.

1942. Was there any prevalent disease in the country?—The cholera was in the country at the time.

1943. Did it cause great ravages?—Yes, it did.

1944. Were there not formerly very wealthy classes in the Mahratta Court, who expended large sums of money?—There were wealthy classes, who expended more money than they do now, but they have all got their houses in Poonah still, and they come there yearly.

1945. But the consumption produced by the establishment of those persons must be very much reduced?—Yes; but with regard to the increase or diminution of consumption, it does not appear to me that the breaking up of the armies of the Peishwa is sufficient to account for it, for the people are still in the country and consuming still, although not in arms. The army was constituted principally of cultivators; every Mahratta went from his farm to his horse, and returned again to his farm when he was thrown out of employ.

1946. Have you reason to believe that the mortality caused by cholera in the district of Dharwar was 25,000?—That I am quite ignorant of.

1947. What is the operation of the ryotwarry system?—I think under the ryotwarry system there are very great facilities afforded for collusion. I think that the ryot has an opportunity of concealing his land, and I think with the multitude of ill-paid petty revenue officers employed, the probabilities are in favour of collusion between the ryot and them, to conceal lands. That it does exist, I know from personal inquiry.

1948. Do

1948. Do you think it likely that the apparent diminution of cultivation may be greatly explained by that circumstance?—I think myself that there is much more land in cultivation than appears upon the public returns.

1949. Is not that likely to have been the case under the former government?—Under the former government there was a different system pursued. The government arranged with the potails of villages for the whole village. It had nothing to do with the details, there was no inquisitorial inspection or inquiry; a village was assessed at a fixed sum, which it was called upon to pay at certain periods of the year, without the government troubling themselves at all about details; all the cultivators were responsible for the government revenue, no man therefore would allow his neighbour to conceal land and thereby risk addition to his own assessment to make up the government dues.

1950. Under what system is the land-tax now taken?—It is upon the ryotwar system at present in the Deckan.

1951. Will you be so good as to explain under what management and superintendence it is carried into operation?—The ryotwar system proceeds upon the supposition of the Government settling directly with every individual cultivator upon the land; to examine his field, to see its produce, and that every year. This it is impossible for the collector to do, aided by numerous European assistants; it is therefore only to be done by numerous native agents, and those native agents of course endeavour to profit by the authority that is put into their hands.

1952. What are the comparative advantages and disadvantages of the ryotwar and mouzawar or village system?—I think I have mentioned some of those. The advantage of the mouzawar system is the facility of collecting the revenue at a trifling expense, and the support it gives to a highly valuable class of men, the potails, who are falling to decay; and the disadvantages are, that it throws the cultivators under the authority of the potail of the village, and possibly exposes them to oppression. The advantages of the ryotwar system are, that it professedly enables the cultivator to settle every year personally with the Government for his lands; and in discussions with respect to them or their produce, of course he is enabled to profit from his local experience and knowledge, and it puts him on an equality also with every one in the village. Its disadvantages are, that it enables the cultivator to conceal lands under cultivation without the risk of his neighbour informing against him. It enables him also, in case the government officers are disposed to fraud, in collusion with them to diminish the revenue. The numerous petty revenue officers that it is necessary to employ in an inquisitorial capacity is a serious evil, on account of the expense, and of the power that is given to them either to oppress, or, in collusion with the ryot, to defraud the Government of its revenue.

1953. Is not the ryotwar system professedly founded upon an accurate actual measurement of the land?—The ryotwar system ought to be so; in fact, every system of land revenue should be founded on a knowledge of the exact extent and productive power of the land.

1954. If an accurate measurement did actually take place, would the concealment of land to any extent be possible?—Certainly so; there is nothing to prevent a man from saying, "My land that was under cultivation last year is not under cultivation this

10 April 1832.

Lieut.-Colonel *Wm. Henry Sykes.*

this year;" a petty officer is sent to ascertain the fact; he takes a bribe, and the land is withdrawn from the books.

1955. Would not the collector be able to make such an examination of the districts as to be able to ascertain whether the land was cultivated or not?—He is supposed to do so every year, but I do not think he can do it; if he does do it, it must be by means of a multitude of petty officers, and their salary is necessarily so small, that if they gained even a trifling benefit by acting in collusion with the cultivator, it would be a sufficient inducement to them to forego their duty.

1956. When the land revenue is collected by the village officer, whom you call the potail, is it not possible for the potail to take a larger sum from the ryot than he pays the government; do the institutions of the village prevent that?—Land in the Deckan was not measured under the Hindoos; a land-tax was levied upon it, agreeably to its productive power, and not agreeably to its superficial extent. To a piece of land producing a certain quantity of produce, a certain name was given; all land of similar denominations, whatever the superficial extent might be, in the same village paid the same sum from year to year, and this was known by the name of the sostee dur, or usual rate. Under those circumstances, therefore, each individual knows what he has to pay for his land under cultivation, and therefore the potail, on the land alone, could not obtain more than they ought; but there are numerous extra cesses, many of them in kind, some of them in money; they amount altogether, I think, to about 60 in the Deckan at large, and from three to a score are found in one village. In apportioning these cesses to the inhabitants, it is very probable that the potail could, and I have no doubt that he does, raise more than he is entitled to raise. I must always join the koolkurnee or village accountant to the potail in all his acts.

1957. Under what authority are those cesses levied?—Under the former governments they were levied for the most part for temporary purposes, and they have become the usage of the country.

1958. To what purposes are they applied?—To augment the revenue.

1959. Do they go into the hands of the Government?—Certain portions go into the hands of the Government; the rest to district and village officers and others. They now fall upon the land, and therefore render nugatory the permanent land-tax, or the sostee dur, which did and does exist. The substitutes for land measurements were quite indefinite in the Deckan; in no two villages had they the same denomination; sometimes they were called doree, which means a rope; sometimes they were called a pice, which means a copper coin; sometimes they were called a seer, which means a weight. In fact there were no specific or uniform land measurements in the country. The Mussulmans endeavoured, when they conquered the country, to substitute the definite measurement of the beegah for the old Hindoo denominations, but they have only completely succeeded in supplanting them in garden lands. On the field lands of some villages they have been occasionally successful; but in general the old Hindoo denominations prevail, and they are converted into beegahs by estimation.

1960. Can you give the Committee any further information with respect to those cesses?—Most of them profess to bear directly on the land, such as those for grain, forage, ropes to Government, dry grain to ramooses, havildars, gossawees and the

10 April 1832.

Lieut.-Colonel
Wm. Henry Sykes

the meeras' tax, and tax for sugar. Others which originally fell upon trades, such as those for skins, shoes, wool, blankets and oil, &c. &c. are no longer derived from their legitimate sources, but fall upon the cultivator. Other cesses are for milch cattle, fowls, mango trees, pumpkin beds, ghee or butter, sour milk, fowls and fruit; all these extra cesses are called puttees. Some of them involve personal labour, such as those for cutting grass, furnished gratis to government for fire-wood; for dinner plates, made up of leaves; for Monsoon great coats, made of wicker work and leaves, and for sticks to pound rice with. The rabta mahr is in lieu of personal service. Some of them in their name indicate their temporary character, such as the eksallee, or for one year; yet they have been continued ever since. There are many others; the shadee puttee, or marriage cess, at Angur, pergunnah mehol P. C. amounts to nearly 12 per cent. upon the whole revenue. That could only have been for a passing event, yet it has been continued.

1961. Under the village system, the Committee understand that these cesses were all collected by the potail?—Collected by the potail, but levied by government district officers, and appearing on the village accounts.

1962. Under the ryotwar system, do those fall to the ground?—No, they do not

1963 Who collects them under the ryotwar system?—They are collected by the Government; the cesses formerly paid in kind are commuted into a money-tax, and such of course bear with considerable severity upon the people, and it is exceedingly desirable that they should be consolidated, and thrown upon the land as a land-tax. They vary from village to village; there are probably no two villages that have the same number of extra cesses.

1964. Has each village an accurate record of the extra cess imposed upon it?—Yes, in the koolkurnee, or village accountant's hands.

1965. Are they not productive of considerable inconvenience?—Of considerable inconvenience, and do doubt of oppression.

1966. In a far greater degree than they are productive of revenue to the Government?—They are no doubt profitable to Government, but they should be abolished or consolidated on the land.

1967. Could they be commuted into a land-tax?—They could be commuted into a land tax to a certain extent.

1968. Do you know whether the attention of the Government has been called to it?—Yes it has. A revenue survey was taking place in India when I left, under the very able superintendence of a Mr. Pringle, a civil servant. Its object was to measure the lands accurately, to assess them agreeably to their productive powers, and as far as was consistent with individual rights; for many of those cesses depend upon individual rights, to make them merge in the land-tax.

1969. Would such an arrangement be acceptable to the people?—It certainly would.

1970. Would the Government be very great losers by a sudden and immediate abolition of the whole?—The Government would lose certainly to a considerable extent.

1971. Can you form any idea to what entent?—I think I have not the means of determining exactly, because in the village accounts transmitted to the collector these sources of revenue are not sufficiently distinguished.

1972. Are

10 April 1832.

Lieut.-Colonel *Wm. Henry Sykes.*

1972. Are those cesses confined to the Deckan, or do they prevail over India generally?—I think over India generally. I would infer that they prevail over India generally from the character of the native governments.

1973. Are they contributions of particular articles?—Contributions of particular articles in the first instance, and provision for particular officers, and those have been perpetuated by the successors of those officers.

1974. Do you know how they were apportioned?—The government officer of a district wanted leaf plates to supply his table for a year; a village was called upon to supply them, and did so. The government officer required grass for his horses, the village was called upon to furnish it, and did so. The successor of this individual did not wish for grass and for leaf plates, but he wished for money, and it was therefore converted into a money tax instead; and the same took place with other articles. Other government officers levied other matters; Government in time heard of them, took a share from its officers, and thus perpetuated the cesses.

1975. In any parts of the country, in consequence of the prevalence of war, had the village system which had existed in former times been so entirely overset that it was impossible to resort to it; and was the ryotwarry settlement, by which the collection of the revenue was placed in new hands, rendered necessary?—There are very many villages in the Deckan, from which the ancient inhabitants have been totally swept away; but whether on their being re-peopled it was necessary that the new inhabitants should be assessed on a new system, I cannot say.

1976. Would it have been easy in this case to have created a new potail and a new koolkurnee, and to have established society upon its ancient footing?—Certainly so.

1977. Under which system, the village system or the ryotwarry, do you think that the Government obtains most revenue?—I would say under the mouzawar or village system. It occasions little trouble either to the Government or its officers. The sum is fixed on the village every year, agreeably to its means, or it may be leased for a term; it is paid without trouble, and the system does not instigate fraud. It gives the potail authority in his village, and maintains a respectable class of persons in society; and saves the inhabitants from the oppression of petty government officers.

1978. Under which system do you think the ryots or cultivators are most prosperous?—Really if I judge from appearances, I must say, in going over the Deckan, and living amongst the people for many years, passing from village to village, and district to district, from the Company's to Jagheerdars' villages, I have found the Jagheerdars' villages, in eight instances out of ten, more flourishing than our own; there has been a great extent of garden cultivation about them, and a greater appearance of substance and comfort in the people; and yet the Jagheerdars are not so liberal in remissions as the Company. Their system is mouzawar.

1979. Would that mouzawar system be equally well regulated under the Company as under those Jagheerdars?—I do not see any objection to its being equally well regulated; the same government officer would be kept up as under the native government, but not the intermediate minor agents of the ryotwar system.

1980. Does

1980. Does the mouzawar system not prevail in the Deckan in any degree?—I think not under the Government in any degree. I think the ryotwarry system existed in all the villages I went to.

1981. Is there any difference in the rate in our territories and in the Jagheerdars'; can you say that the cause of the difference in the cultivation of the land might be that the assessment was lighter in the one case than in the other?—No, that I should not say; but I should say, that under the Jagheerdars they admit the people to use the waste land to a considerable advantage to themselves, which we do not.

1982. In case of their occupying the waste land, do we charge them according to its value?—Yes. There has been a system of Istawas in the Deckan, which is letting waste land for a certain number of years, paying the first year one-eighth or one-tenth of its value, and progressively increasing it until the last year, when the whole rate was payable; but I think it was found to occasion a good deal of collusion, and it was found also that it induced the meerasdars, or hereditary proprietors, to throw up their fully-assessed lands to get rid of them.

1983. Is it the practice with the Jagheerdars to allow the cultivators to take the waste land without any burden at first?—They pay a very trifling sum; but then the Jagheerdars take care that they do not throw up the fully-assessed lands, being on the spot to observe them; and the same thing might be done by the Government, if they had persons on the spot: but this of itself would be a difficulty of course.

1984. Do you think that the assessment is too high under the ryotwar system?—All those matters are by comparison; the charge upon an acre of land in India at 2 *s.* 9 *d.* and one-eighth per acre, may press more severely upon the cultivator, from his obtaining little or no profit from it, than 5 *l.* an acre would in England, where the profit would be proportionable to the outlay.

1985. Is the Deckan a dry district?—The Deckan is generally a dry district, watered however by a great number of rivers that run down the vallies from the Ghauts.

1986. Does irrigation prevail to a great extent?—There is no garden-land without irrigation.

1987. What proportion does the irrigated land bear to the whole?—I could only mention that in two collectorates.

1988. Is it considerable?—In Khandeish in 1826 it was 9·36 per cent. of the whole cultivated land, while in Dharwar it did not amount to one-half per cent.

1989. What proportion does the value of the irrigated land bear to that of the dry land?—I can give the rate per beegah for forty towns in different parts of the Deckan: garden land irrigated averaged 3 rupees and 41 reas per beegah, or 8 *s.* 3 *d.* and one-third per statute acre; this includes land producing all fruits, sugar-cane, aromatic seeds, and garden produce. This is the average of the tax. There are some particular situations where the assessment runs much higher; but in those forty towns the highest tax paid is 16 *s.* 8 *d.* per statute acre.

1990. Can you state what the difference is between the produce of the watered land and that which is dry?—No, I cannot; I have not ascertained that point; but garden land is infinitely the most profitable.

1991. Is the Deckan a large extent of country?—I have stated its size previously. It is divided into the Mawhuls, or hilly tracts; and the Desh, or flat country. The Mawhuls

10 April 1832.

Lieut.-Colonel
W^m Henry Sykes.

Mawhuls are a long strip along the face of the Ghauts, and the Desh extends to the eastward in very extensive flats or plateaus, descending by low steps.

1992. Do you happen to know what is the geological character of that land?—It is a trap formation.

1993. Does the trap formation extend far on the eastern side?—As far as I have gone to the eastward, to Aurungabad; and as far as I have gone north and south. Along the coast, the stratum is precisely of the same character as above the Ghauts.

1994. Of what stratum does Cape Comorin consist?—Of the primitive rocks, granite and gneis, I think; but I do not know from personal observation.

1995. Is there any chalk in the Deckan?—No chalk whatever in the Deckan.

1996. Is there any chalk in any part of Asia?—I do not know; but there is lime in the Deckan, in a powder, which has most of the characters of chalk, and is used as a substitute for it.

1997. Are there any of the more recent strata in the East Indies?—I have seen only Western India, and there it is exclusively a trap formation. The trap consists of a succession of basalts, green stones, (crossed by dykes of a very close grain); amygdaloides, toad stones, &c. lying almost entirely in horizontal beds.

1998. Was there any permanent land assessment under the native governments?—Similar denominations of land were assessed at a similar sum in the same village, which was unchangeable, and which was called the sostee dur.

1999. Did that prevail extensively?—In every district, and throughout every village.

2000. Have those rates been altered by the British Government?—No; unless under the revenue survey; probably the revenue survey has altered them.

2001. Is the land revenue of the Deckan levied at a fixed rate generally?—Under the native government the land-tax as such was a fixed tax, known as the sostee dur, and it still continues; but in addition there were extra cesses levied upon each beegah, or other denomination of land, which rendered nugatory the permanent land-tax, or sostee dur. A cultivator paid for instance, a rupee for a certain quantity of land of a particular denomination. This his ancestors had paid before him, this his neighbours paid around him, this his children would pay after him, because his land being hereditary, would descend to them. So far as this continued it was a permanent land-tax, and the same rate is traceable in village papers for 100 years; but there came governors requiring additional revenue, and they put on an additional cess, calling it by a certain name. This imposition upon the whole village was divided amongst the cultivators proportionably to the land held by each; but it did not affect the land-tax. There came another cess after that, then another and another, each for some specific purpose. In this manner the taxes paid by the cultivator became burdensome, but the original land-tax remained the same.

2002. Then taking the whole of those cesses together, the proportion of the tax must have been altered?—Very much altered; but still the original tax is the same.

2003. Have those cesses continued at the same rate under the government of the Company?—Yes, they have; they have certainly not been increased, but there are cases in which they bear upon the people more severely than formerly: in those which were paid in kind and have been converted into money.

2004. If

10 April 1832.

Lieut.-Colonel
Wm Henry Sykes.

2004. If the commutation you have alluded to were to take place, the whole would become a permanent and fixed cess upon the land?—Yes.

2005. And the Government would give up its power of enforcing its charge without having recourse to fresh cesses?—Yes, and I believe that is contemplated in the revenue survey.

2006. In case of the land producing more than is sufficient to pay the cess charged upon it, and the maintenance of the cultivator in the usual state in which he exists, would in that case a profit-rent arise, and a sort of landlord be created, in the same way as has existed in other countries?—Certainly there is nothing to prevent it.

2007. Does that prevail to a great extent?—I do not think there has been a rent: I understand by rent a net profit arising from the cultivation of the land. One of the great causes, in my opinion, of the present impoverished state of the people, is the law of succession of property; its divisibility into minute portions, and the consequent want of concentration of capital.

2008. Can you state what number of beegahs are occupied, upon an average, by each occupier?—It does not vary very much in the different collectorates. It varies from 29 beegahs a farm to 43½. I have known farms to hold, in the name of one person, much more land, but he would still have probably his brothers and his other relations upon it, holding as low as two or three beegahs. I have known one farm at 202 beegahs, I think.

2009. What would be the effect, in your opinion, of permitting Europeans to acquire land and to hold it upon the English tenure, in which the right of primogeniture was recognized?—I think that one great source of improvement of the people would be the introduction of capitalists, with the energy, the tact, and the enterprize of Europeans setting an example, and showing the advantages of the adaptation of cultivation to the particular calls of commerce; and under these circumstances it would no doubt be beneficial. It would create exportable articles, cotton, indigo, silk, and sugar, for instance. The tea plant might be introduced, wine might be made.

2010. Has the land in the Deckan, with which you are acquainted, any saleable value?—It has not had of late years, except in the site of towns, and in the vicinity of populated places.

2011. In the districts which you were mentioning of the Jagheerdars, is there anything that would indicate a saleable value?—I do not think that land has had a saleable value for the last ten or twelve years. Spots have been sold to sink a well upon, for the production of garden produce; but I am not aware, generally speaking, that arable land has had a saleable value.

WILLIAM HENRY TRANT, Esq. called in and examined.

Wm Henry Trant, Esq.

2012. How long is it since you have returned from the East Indies?—Twelve years.

2013. What situations did you hold there?—I began in Lord Wellesley's office, in what was called the Governor General's Office in the Political department; then I was for a short time in the Military department, assistant to the secretary in the Military

10 April 1832.

Wm. Henry Trant, Esq.

Military department; and then I went as assistant to the Board of Commissioners for the Revenue Affairs of the Western Provinces, the Ceded and Conquered Provinces they are commonly called; and there I acted as collector of three districts, first of Allyghur, of Agra, and Barelly latterly; and then after that I was a short time in the Judicial department, judge of the Twenty-four pergunnahs, the districts adjoining Calcutta; and then I became secretary to the Board of Revenue in Calcutta; and after that, for about a year, secretary to the Government, succeeding Mr. Tucker in what was called the Territorial department, which included the Financial and Revenue, and Colonial departments; I was succeeded in that office by Mr. Holt Mackenzie, who took temporary charge of it, in consequence of my sudden illness; then I was appointed a member of the Board of Commissioners for the Revenue of the Western Provinces, which I was forced to quit on account of ill health; and the last year I was in India I acted as a member of the Board of Revenue in Calcutta; that was the last office I held in India.

2014. When you went to the Western Provinces, which have lately been ceded to the Company, in what state did you find the collection of the land revenue?—On the whole, in a tolerably satisfactory state.

2015. Was it then in the same state as it had been when those provinces were under the rule of native princes?—No; I should think very much improved.

2016. How long was it after the cession of those provinces that you went there?—About five years after the cession of the provinces which had belonged to the Vizier, now called the King of Oude, and about four years after the conquest from the Mahrattas of those provinces which were called and still are, the Conquered Provinces, acquired under Lord Wellesley's government. Those two formed the jurisdiction of that Board to which I was attached.

2017. On what footing was the collection of the revenue established?—On the footing of a temporary settlement, made at first for three years, and continued without any increase for another three years; that term was just then at the point of expiring, and a permanent settlement was then to be made, or intended to be made, by Lord Minto, the then Governor General.

2018. With what class of persons was the settlement made?—Made with those generally who were called proprietors; however, the first settlement had been made, in very many instances, to the exclusion of those who were supposed to be the proprietors, and the lands let to farmers; but still, in a very great many cases, those supposed to be the proprietors were in possession, and paying revenue to government.

2019. When you allude to proprietors, what class of persons had a property in the land?—A variety of classes, I should say, beginning with Rajahs among the Hindoos, persons of high rank and large possessions, and Nuwabs, and persons of that class, among the Mussulmans or Mahomedans; then persons of inferior grades, still possessing a considerable amount of property; and below those, those possessing, either individually or in partnership with others, single villages; and in some cases what are called the mocuddums, or the heads of villages.

2020. What was the character of the property possessed by them?—I think very much the same character as that of property possessed in this country, except that in some cases those holding under them had certain rights which were not determinable

minable at their pleasure, as leases and rights commonly are in this country, at the pleasure of landlords.

2021. Was the zemindar a person of that description?—Yes, I suppose so.

2022. What other village officers were there under those proprietors?—You have the head of the village, called the mocuddam; generally you have under him the putwarry, the man who keeps the accounts of the village; you have the different tradesmen, the blacksmith, the barber, for instance, and others, who are useful in the village community; all those have in general small holdings of lands, or sometimes, where they have not lands, they are paid by a contribution of a certain portion of the grain or produce of the lands. Watchmen are paid in the same way.

2023. In what way was the Government able to obtain the customary share in the produce, which appears to be looked for in India, if those persons had a property in the land which entitled them to receive the value of it?—By requiring the person who calls himself zemindar, for instance, to pay a certain portion of the produce, a certain amount according to an estimate of the fair proportion which he ought to pay to the Government, after giving the shares of those who are actually engaged in the cultivation of the land, with all the necessary expenses attending this village community, such as I have endeavoured to specify.

2024. What share did the Government require the zemindar to pay?—The nominal rule of our government was, that the zemindar should pay all that he received, *minus* five per cent. for the village expenses, as they were called, and 10 per cent. for his own profit, or malikanee, as it was called. That was the general rule laid down in the settlement.

2025. In those provinces did the Government actually obtain so great a share of the produce as that rule would give them?—No; I should say certainly not, from my own experience.

2026. What proportion did they obtain?—I reckoned, in my own work, to leave to the zemindars 25 per cent., about a fourth of the net produce.

2027. Who were the persons generally engaged in the actual collection for the government?—Sometimes it was one single person, the zemindar, and sometimes it was the head of a village, who was not looked upon in the light of a proprietor so much as the others were.

2028. In case the zemindar undertook to make to the Government so large a payment as you have alluded to, in what way did the proprietor come in for his share?—The village community consists, first, of the mocuddam; I am not talking of a man who may have a title to several villages, but I am merely attempting to describe the village community, setting aside the superior landlord; I say there comes, first, the mocuddam, who is the head of the village, and then there come the different classes of persons holding land, such as the brahmin, &c.

2029. Do you think that the zemindar was able to raise more from the ryots than he was compelled to pay to the Government?—Undoubtedly he was, or it could never have been worth his while to enter into the engagement.

2030. Was the regulation of the detailed payment and the amount which was to be paid by each ryot determined by the zemindar?—It cannot be said exactly in all cases, or in most cases, to be left to the zemindar, because it has been settled by long usage. Certain persons I found to have prescriptive rights, which were disturbed by

10 April 1832.

Wm Henry Trant, Esq.

by the zemindars, and ought not to have been, and were not generally; others who cultivated lands, not residing permanently within the precincts of the village, had not such rights, and the zemindar might put them out at any time and get others that would cultivate the land on more advantageous terms to himself.

2031. Did the people complain that the rate charged upon them was too high?—No, except that I think that all people I have met with in every part of the world complain of taxation more or less. They have complained very much against me and against others who have found that the government revenue might be considerably increased; but on the whole, I should say, after very considerable experience of the revenue as a collector, and afterwards as a member of the board, that the revenue taken by the Government was very fair, and that the country was flourishing under the system established.

2032. Did any of the payments run in arrear during the existence of those three years' leases?—Yes, in some districts it did.

2033. What steps were taken to recover the arrear?—The usual steps were confinement in prison of the zemindar or whoever engaged for the payment of the revenue, the sale of his personal effects, and, in default of payment through those means, the sale of his rights in part of the village. That was resorted to perhaps oftener than it ought to have been.

2034. What portion of the land in such case was put up; was it the part that was appropriated to the zemindar or the whole village?—No, the rights and interests of the person who engaged with the Government, clearly specifying that only his rights and interests are sold.

2035. What rights accrued under a three years' lease?—They would be of the same nature as under a permanent lease

2036. If the existence of the profit-rent, to which the zemindar was held to be legally entitled, was found greatly to exceed the 10 per cent., which, according to the regulation, he was to be allowed for his payment, would not, in reality, the whole scheme of the settlement be nugatory, and would not the persons engaged in effecting it, in point of fact, know that they were giving the zemindar the possession of rights and profits which might and ought, if taken at all, to be taken for the Government?—That would depend upon the vigilance of the collector; no doubt the utmost vigilance could not in all cases secure to the Government the precise amount to which they were entitled by law or by reason.

2037. Under the system which prevailed in India under the native powers, when violence and war did not disturb it, was not the payment made to the zemindar by the ryots strictly the amount which he was bound to pay to the Government, *minus* only his per-centage, and was he not to maintain himself upon that percentage, and the produce of a portion of the land, of the nature of glebe, which was set apart for his support?—I should say, that in some cases he had such lands as have been described as glebe, commonly called nankar or nidjot (nidjot means his own proper cultivated land); however, I should say that, according to what I understood to be the practice under the native governments, it depended so much upon the degree of power and strength of the zemindar or talookdar, or whatever he might be called, that it is very difficult to say that any general system prevailed, so much depended upon might above right.

2038. Can

2038. Can you state at all what proportion of the zemindaries were brought to sale in consequence of the default of payment in the short leases of three years?—I do not think they were numerous at that time; in those districts that I was best acquainted with there had not been many, but some, under circumstances of decided malversation on the part of the collector, at Allahabad particularly, which were quite notorious.

2039. When you say that these cases are very notorious, to what proportion of the whole number of leases do you think they extended; to a half or a fourth?—No, not anything like that; according to my recollection of Allahabad particularly, having been the first district that I entered upon, as assistant to Sir Edward Colebrooke, I suppose there were 100 cases or so brought forward at that time; I speak merely from guess at the present distance of time.

2040. Out of what number of zemindaries was that 100?—I should suppose that the number of estates at that time amounted to between 2,000 and 3,000.

2041. Owing to what circumstances was it that those sales took place?—To speak plainly, the dishonesty of the collector; that district had powerful proprietors, the rajah of Benares, and one or two other powerful men, who overwhelmed him with temptation. At that time there was no board or control nearer than Calcutta, and therefore it was very difficult to detect any deception that was going on.

2042. Was there reason to believe that in all the cases alluded to, the zemindars had actually collected the money?—No; in many cases, I believe, as far as my recollection goes, they had actually paid the amount due from them to the government officers; the tehsildars appointed to make the collections in sections of the districts, in pergunnahs, as they are called.

2043. At what period did the malversations exist which led to these sales?—Very soon after we obtained possession, in 1803; I went up with Sir Edward Colebrooke in 1808.

2044. Were these sales held to be lawful?—They at that time passed as lawful; persons who made the purchases at the auctions entered into possession; but at that time the board to which I belonged made inquiries, and recommended to Government that special measures should be taken to investigate the claims of those persons who asserted that their estates had been illegally and improperly sold; but at that time the Government thought it not expedient to resort to any extraordinary measure, but merely said that the persons so claiming must be referred to the regular courts to establish their claims. However, afterwards, they acceded, and appointed what is called a special commission, two gentlemen, whose special business it was to make inquiry into those claims. The consequence was, that in many cases, in most cases, those persons had their claims admitted.

2045. Under the native powers was it the practice to sell the rights of the zemindars?—No, I do not think it was.

2046. Do you think it a desirable step to take, with reference to the interest of the Government, or the benefit of the people?—I think it is a measure that ought only to be resorted to in very extreme cases.

2047. Do you think it upon the whole disadvantageous to the people, and injurious to their interests?—Yes; at the same time I beg leave to say that I am not

10 April 1832.

Wm. Henry Trant, Esq.

not prepared to admit that it would be right for the Government to give up the power of transferring the rights of defaulting proprietors, or mulgoozars as they are commonly called, because cases have arisen where the zemindars, to my knowledge, have wilfully withheld the just amount of government revenue, trusting to the power which they have of either openly resisting or fraudulently defeating the attempts of the government officers to realize the amount of arrear and the amount of current revenue, by what is called khas, or detailed management; therefore I do not think it would be right altogether to give up the power, though I say that it should be very carefully and very rarely exercised.

2048. By those three years' leases, although it is a contract binding for so short a time, does it not appear that the Government conceived that they had vested in the zemindar rights which he did not possess under the native powers?—No, I do not think that they had; though, as I said before, there was perhaps very little regard to actual rights, yet I do conceive that there was a right of property under the native governments.

2049. Have the goodness to explain to the Committee the grounds on which you rest that opinion?—They are these: for instance, I found in Agra, where I took charge of a tract of country which had, properly speaking, not come under our regulation or dominion, native institutions and native practices quite fresh. I found there several persons who were in possession of such a share of the produce of different villages, and in possession of those means of living in splendor, having large retinues, in the maintenance of which, as in our own feudal times, landlords were in the habit of spending their money. These means they derived from the produce of the land, which was given to them in right certainly of possession, and what I should call property, by the actual cultivators.

2050. Were these people, strictly speaking, zemindars?—I should call them zemindars. They were, according to my European notions of property, in possession of a share of the produce; for I take it that that is the substance of property after all, which enabled them to live well, and to maintain that appearance which they could not have done if they had not large revenues; and that was the chief source from which their revenues were derived.

2051. Have you any other reason for thinking that the officer called a zemindar had a property in the lands than seeing them live in such style as to indicate that they had considerable wealth?—Yes, I found the cultivators of lands inclined to acknowledge them as such, speaking of them as such, and treating them as such.

2052. Can you say whether, in the case of an officer who acted strictly and solely in the character of zemindar, or collector of land revenue in a village, upon his death it would have passed as a property to all his sons; or whether his duty, as zemindar, would have devolved upon the eldest son and one individual only?—I should say that that would depend a great deal upon what may be called family arrangement. If there were several sons of the deceased zemindar, who considered their elder brother as more capable than themselves, from age or from circumstances, to manage the estate, if I may so call it, to deal successfully either with the native government at Delhi, or with the representatives of that government, that eldest son would be considered as the sole zemindar. In other cases one or more of his

brothers

10 April 18[illegible].

Wm Henry Trant, Esq.

brothers might be admitted to share this ostensible situation with him. I should say that it depended so much upon circumstances that it is difficult to answer.

2053. Is there not a known law among Hindoos which regulates the descent of property, as well landed as personal?—Yes.

2054. What is that law?—I cannot at this moment, without reference to books, detail the shares. There are certain shares laid down for the widow, and for the sons, according to their seniority; I cannot at this moment undertake to point out the details

2055. In the provinces in which you were connected with the settlement of the land revenue, suppose the case that no lease for three years had been granted, and that the zemindar had been called upon to collect the revenue from year to year, and that the zemindar had died, who would have succeeded to his duty?—The Government would have admitted his heirs, or one or several representatives, to have stood in the place of the deceased zemindar or contractor.

2056. Would it have been one individual or many who would have been chosen?—In the case of a man leaving sons, and those being all of age, they would all have been admitted as joint proprietors, if they had so desired it.

2057. In the next descent would that equally have taken place; would all the sons of all those sons have become equally zemindars and collectors for the Government?—I should say that they would, generally speaking; but then they might determine their relative proportions if they chose it, or settle any dispute that they might have, by an appeal to a court of justice; but really, on the face of the record of the Government, they would stand as the successors to their deceased father.

2058. And so on from generation to generation, let the number of male descendants be what it might?—Yes, they would stand as the recorded proprietors.

2059. Has not the opinion prevailed that originally each village or district had but one zemindar at a time?—No, I do not think it has. I found that, for instance, what is called in the district of Barelly a record, made by Mr. Deane, the first collector, of ten years previously to our possession, and in that I found several persons, more names than one, standing as proprietors of a village.

2060. Would it not be better, do you think, and would not the duty which the zemindar has to perform, be in all probability better administered, both for the government whom he serves on the one hand, and for the ryot from whom he collects on the other, if the duties of that office should be confined to one individual?—Yes; I should think, generally speaking, as a mere executive officer, it would be better to have one known good man to do your business, than several who might not be so efficient, or who might clash with each other.

2061. If the character of permanency, which appears to have been given to the settlement in the Ceded Provinces by a lease of so short a duration as three years, has a tendency to lead to the subdivision of the duties of the zemindar in the way you describe, do you not think that even that limited degree of permanency has a tendency to produce an injurious effect both upon the interest of the Company as governors, and upon the interest of the ryots as occupiers of the land?—As I said before, there can be no doubt that if you are to set aside all rights, if you are to consider the Government free and at liberty to appoint whom they may please to make their collection and manage their estate, it would be better that they should

 select

10 April 1832.

Wm. Henry Trant, Esq.

select one known trust-worthy person, than to leave it to chance with regard to several. But I beg leave to say, that I do not consider this matter, as between the Government and the land, to be one in which it is at all proper to disregard the rights of zemindars or landholders.

2062. The question pointed only to the interest of the Government and to the welfare of the cultivators, who are the most numerous class of inhabitants of the country; the rights and interests that may exist in the zemindar form entirely a separate consideration?—I should repeat, that one person, whom the Government might be at liberty to select, would do the business better than several whom they have not the power of choosing.

2063. Would the extension of the permanent settlement, as it has been established in Bengal, give the class of persons who are known by the name of zemindars in the Ceded Provinces any new rights and privileges?—I do not think it would give them new rights; it would confirm to them, in a manner exceedingly satisfactory to them, and, as I think, very advantageous to the Government, rights which they had possessed more or less before the introduction of our Government.

2064. You have in your answers once or twice used the word "zemindar or landowner;" is his title to the land derived from the native institutions, or from the provisions declared in the Regulations of the Bengal government?—I said before that, with regard to one district with which I was best acquainted, a record had been made with great care, in which the names of those considered by the collector, a gentlemen of very great ability (Mr. Deane), as having *bonâ fide* titles to the possession of rights tantamount to ownership, or what was called indeed a proprietory right (that is the term we use in the Regulations, I think, certainly in the correspondence,) were inserted, and such rights were admitted by that gentleman and by the commissioners at that time appointed for the management of that territory.

2065. Would any other class of persons than the zemindars be benefited by the extension of the permanent settlement, as it exists in Bengal, to the Ceded Provinces?—Yes; I think that all classes of the cultivators would.

2066. What reason have you for entertaining that opinion?—In the first place, because that degree of interference of the collectors and native officers, which is necessary under a system of occasional or temporary settlement, would in a great measure be abolished. That I consider a very great benefit indeed. In the next place, supposing there to be some room for improvement, as there is undoubtedly in many and most villages, the fruits of that improvement would belong to the village community and the zemindar, the person engaging for the revenue of government.

2067. In what way would the village community get any share of it; would not the zemindar take care to appropriate it to himself?—No, I do not think he would the whole; because certain classes of the village community have rights which they are very well inclined to maintain.

2068. Do you believe the persons in a village community who have rights, have also the power of maintaining them?—They would have much the same means, I think, that they had before the settlement.

2069. Has

10 April 18[illegible]

Wm Henry Trant Esq

2069. Has it not been found practically that in Bengal, where a permanent settlement has taken place, the rights which previously existed in a village community have been held altogether to have ceased?—Yes, I am aware of that; but I do not think it need be so, and I do not think it should be so.

2070. Has not the effect of the permanent settlement in Bengal been almost entirely to destroy the rights which existed in the village community?—No, I do not think it has, because I am sure that they could be no worse off than they were before it was established, for now they can do what they could do then, fight for their rights, which they do sometimes we know, and they can appeal to a court of justice, which is not always a sure remedy, but which is as sure a remedy as they had before.

2071. Does the appeal which persons under those circumstances make to courts of justice afford a speedy remedy?—It has not been hitherto, but it has become more speedy latterly, in consequence of the power given to the judges to refer such cases to the collector; indeed now, I believe, such cases may be, in the first instance, brought before the collector with less form, and therefore admitting of more speedy settlement than under the more tedious terms that were formerly prescribed.

2072. Have you any reason to know that within two years after the permanent settlement was established in Bengal, 30,000 suits were depending in the district of Burdwan alone, which had arisen from the difficulties created by the settlement?—Yes, I am pretty well acquainted with that case, having been secretary to the Board of Revenue. It arose out of the proceedings of the rajah, for that district was peculiarly situated, one of the largest districts being entirely under the ownership of one man, the rajah, who paid but little regard to the rights of the ryots However there was an alteration, if I recollect right, in the regulations at that time in consequence of the destruction of inferior rights. The facility with which the zemindars could dispossess, and could oppress the ryots, I think was limited by a Regulation passed about two years after the permanent settlement had been effected.

2073. But had it not been for that change, the facilities with which the zemindars could oppress the ryots might have still continued to produce the multitude of grievances which led to such numerous applications to the courts for remedy, as you admit to have existed in the province of Burdwan?—Yes. One great abuse, as I believe, of this destruction of rights arose from the abolition of the office of canoongoe, or registrar of rights, immediately after the permanent settlement was formed, which, as I think, was an unfortunate measure, one which the Government endeavoured to remedy in my time by the re-establishment of the office, which was difficult to do at that distance of time; but which office exists, and always has existed, in full efficiency in the Upper Provinces; and therefore I should say that there exist at present (there did when I left those provinces, and such is the case now, I believe), very superior means to ascertain and determine the rights of all classes to those which have existed in Bengal.

2074. If permanent indefeasible property, rights and powers are granted to the zemindar, do you think it is possible that the canoongoe clanne, or village officer, can maintain his right in opposition to him?—I certainly do, with the support that he ought to receive from the government officer.

2075. Do

10 April 1832.

H. Newnham Trant, Esq.

2075. Do you think that the Government in Bengal would be able to give him such support as would enable him to make head against the powerful zemindar, in whom such rights were vested?—Yes, I should say that they have the power. I, as collector, think that I could have maintained the right of those people.

2076. By what means, or under what authority, could you have done anything but sell the zemindaries?—A zemindar is liable to a fine, for instance, for an attempt to the improper dispossession of a person. The canoongoe clanne is distinctly paid by the Government; over him the zemindar has no control whatever.

2077. At the time that those successive leases were granted in the Ceded Provinces, was there not an intention on the part of Government to have gone further, and to have established a permanent settlement, similar to that which has taken place in Bengal?—Certainly. The Committee is no doubt aware that Lord Wellesley, in the Regulation which was enacted for the settlement of the Ceded Provinces, prescribed three settlements, two for the term of three years, and one for four years; that made a term of ten years, commonly called the decennial settlement, and from the end of that period the settlement to be formed was to be final and perpetual. Lord Minto, soon after his accession to the government in 1807, I think, thought it would be well to anticipate the period fixed by Lord Wellesley, and to make the settlement at the end of the sixth year permanent, subject to the approval of the authorities at home. That settlement I was engaged in making in three districts. The authorities at home did not consider it right to confirm that arrangement, as it forestalled the period originally fixed by Lord Wellesley, but the government in India considered themselves, in consequence of the answer from the Court of Directors, fully at liberty to declare that the next settlement that is to say, the one to be formed at the period fixed by Lord Wellesley, should be permanent. However, the authorities in England, in consequence, very much, as I believe, of a change of the men who regulated those matters, withdrew that sanction which the Government thought, and which certainly I, as an officer of the Government, thought, they had fully given to the permanent settlement of the Western Provinces; and I think it right to say that the zemindars and others, all those connected with the land, when it was announced to them that the settlement which had been made at the conclusion of the decennial period fixed by Lord Wellesley was not to be permanent, and that the Court of Directors had interdicted the Government from giving any assurance that it would be made permanent at any time, expressed to me repeatedly very great dissatisfaction, nay, in round good set terms taxed the Government with a direct breach of faith, and, I am sorry to say, that I think they were fully justified in so doing, and I would moreover beg leave, as I think it of great importance, to state one circumstance, that there was a very serious insurrection of the people at Barelly, where I happened to be, not in any official capacity, for I had just come from Calcutta, and my appointment as a member of the board had not been made out. However I went there, and I found the people in open rebellion, assembled in vast multitudes, armed at all points. The immediate cause of this I found to be some dispute, arising, in the first place, out of an imposition of a police tax, for the purpose of maintaining the town police, something very much indeed on the plan of our London police. I was requested

requested by the authorities there, by the Judge of the Court of Circuit and by the magistrate and others, though I had no official capacity, to undertake to communicate with the people, and to endeavour to ward off, if possible, the very unpleasant consequences which threatened us all from this tumultuous assemblage of the people. I am sorry to say that circumstances, which it is not necessary to detail, prevented my making that accommodation with the people which I was authorized by the authorities there to make, and it ended in a conflict, an attack upon the military party we had there, and a most grievous destruction of the people, which was quite necessary, to the amount of about 600. I found there that the people of the country generally had flocked in with arms to support the people of the town, as they honestly confessed to me afterwards, very much in consequence of their dissatisfaction at the announcement which had shortly before been made to them of the non-confirmation of the permanency of their land settlement. I therefore have reason to conclude that they did consider it a very important object to them, and that they did consider the withholding of a boon so pledged and so offered by the Government as a cause justifying in some degree an appeal to arms.

2078. Do you think that those people were duly apprised that the sort of settlement which would be extended to them would leave unsettled the amount to be paid by the cultivators for their land, but would leave the zemindar not only the power but the disposition to take from the ryots as much as he could extort from them?—No, I never understood that; I understood that all inferior rights held by the village community were to be respected, and that if they were infringed, redress was to be given by the ordinary operation of law in the courts of justice, or by such other means as the Government might find necessary if those courts did not prove effectual. I never supposed, nor did the people ever suppose, that they were to be left to the mercy of the zemindars altogether.

2079. Have not the ryots of Bengal been left to the mercy of the zemindars?—I think they have to a considerable extent; but that they need not have been, and would not have been, under a more efficient system of revenue management, such as has been established in the Western Provinces.

2080. What limitation was there to the power of the zemindars; were not the ryots completely at the mercy of the zemindar as much as men could be?—No, I do not think they were. In many cases they did appeal to courts of justice and did obtain redress, and in other cases they were ready to maintain their rights by their own strength; but, generally speaking, there has been great disregard of rights in Bengal.

2081. Would such a settlement as has taken place in Bengal, if extended to the Ceded Provinces, be beneficial to the ryots in those settlements or not?—I should say that you would be, as to a permanent settlement, exactly where you were, or nearly, under a system of temporary settlement; for what I contend for when I say that a permanent settlement of the revenue was promised, is for a limitation of the public demand; and if the Committee will allow me, I will refer to the opinion of Sir Edward Colebrooke, who is better fitted than any one to give a sound opinion upon the subject. He was for twelve years a senior member of the Revenue Board to which I belonged, in the Western Provinces. This is the extract

11 April 1832.

Wm Henry Trant, Esq.

extract from a Minute by Sir Edward Colebrooke, who was then a member of the Supreme Council of Calcutta, dated the 12th of July 1820:—"In the Minute which I laid before the Honourable Board on the 17th of March, suggesting the expediency of some early measures for giving effect to the promise of a permanent settlement in the Western Provinces, I confined myself wholly to the question of limiting the demand of Government from the land, without any reference to the rights of the parties with whom the engagements for such limited demand should be made, or in other words, to the question of the permanency of the assessment, as between Government and the country at large, distinct from the question of the permanency of the settlement as between individuals holding, or claiming to hold, a right to engage. The two questions are, in fact, so entirely distinct, that either of them may be fully considered and finally decided without any reference to the other; that is to say, the present assessment might be declared permanent without any inquiry into or decision on the rights of the parties with whom the settlement is to be made; and, on the other hand, these rights could be finally set at rest although the assessment should continue temporary." This extract explains my idea upon that part of the question.

2082. Then the assessment that you would wish to establish would be permanent as far as affects the demand from the cultivators of the land, but would be under regulations entirely different from those which prevailed under Lord Cornwallis's settlement?—Yes; making every possible inquiry into the rights of all parties interested in the possession and the cultivation of the land. I do not think it at all necessary to enter into a minute examination of rights and claims in every case, because, according to my experience, that would be endless; but that you should do that only in cases where rights are set up, and where a call is made for inquiry; for I have known many cases where people declined, when they seem to have a right to engage with the Government; they said 'No,' they would rather not, they were contented to remain as they were: therefore I think it is a very different thing to have the means of giving a right where it is demanded, and to pry into those details in cases perhaps in which people would much rather you should keep away. I think that is a matter always to be held in view. In the system lately adopted, within the last ten years particularly, at the suggestion and under the superintendence of Mr. Holt Mackenzie, who succeeded me in my office in the Territorial department, according to my knowledge of this matter, and confirmed by all that I have heard since, from information given to me by those who have been engaged in those matters, the details are so endless, and I should say also, so vexatious as respects the natives, that I hope that system will be revised, and that the Government will adopt some plan which is feasible and practicable, and the end of which you may see, and not put off the people, as has been done up to the present time, with a pretence of inquiry into their rights, thereby defrauding them, as I contend (for I must use strong language), of a right which you have over and over again pledged to give them in the limitation of the assessment, and this under a pretence of a tender regard to their rights; therefore, I say, until the Government alters its present plan, and adopts some shorter and easier plan of settling this question, the people will still continue to tell my successors, what they have told me, that the Government are *be eeman*, that is, without religion and without faith

10 April 1832.

Wm. Henry Trant, Esq.

faith; and that they will deserve to lose, as their former rulers did lose, the dominion of the country in consequence of their bad faith.

2083. If what you promised to the people, namely, the extension of Lord Cornwallis's settlement, would have been an injury and not a benefit, why should you complain of that settlement not being given them?—No man will contend, I think, that limiting a tax can be said to be an injury.

2084. Has it not proved an injury in the provinces of Bengal; has it not injured both zemindars and land cultivators?—No; I should say certainly not.

2085. Have not nine-tenths of the zemindaries been put up to public sale, and the ancient zemindars deprived of their possessions by this process?—There is great difference between estates being put up for sale and their being sold. There is one most important proof that I should bring. The state of the country before the permanent settlement was such, that perpetual famines were occurring, and they kept up large buildings for storing of grain, in order to provide for such exigencies, and nothing of the kind has been known lately; not only have they fed themselves, but supplied their neighbours with considerable quantities of grain.

2086. Would not the mere cessation of war be sufficient to explain that difference?—It arises from the violence and all kinds of uncertainty existing before the permanent settlement.

Jovis, 12° die Aprilis 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

Lieutenant-Colonel WILLIAM HENRY SYKES, called in and further examined.

12 April 1832.

Lieut.-Colonel *Wm. Henry Sykes.*

2087. ACCORDING to the regulations established in the Deckan for the collection of the land revenue, is the farmer ever certain of the exact amount of the cesses that he will have to pay for one year?—No, he is not, from many of the cesses being in kind, which are not converted into money until the end of the year, at the money price at the time.

2088. By what officer is the estimate made, according to which the conversion into money is fixed?—It is arranged between the government revenue officer, the village authorities and the cultivator; but the latter has little influence in the determination.

2089. Is it necessarily a very troublesome and uncertain process?—Certainly, it is a very troublesome and uncertain process.

2090. Are many persons necessarily employed in collecting those cesses, and in making the valuations?—There must be a number of persons, of course, employed in a large collectorate.

12 April 1832.

Lieut.-Colonel
Wm Henry Sykes.

2091. Are they all natives?—They are all natives for those minor duties.

2092. Are the persons employed in a situation to obtain the means of living from property of their own, or are they maintained entirely by the pay that they get for the discharge of those public duties?—They are occupied, I believe, in public duty only, and dependent for subsistence upon their salaries.

2093. Is it possible to carry into effect a commutation of those different cesses for a land-tax, without recurring, in the first instance, to an actual measurement and actual valuation of the land?—It could be done certainly by arranging with those who have claims upon those cesses, and with the cultivators themselves, for such cesses at least as the cultivator has to pay.

2094. If the cesses are extremely unequal in themselves, and in their distribution amongst the individuals upon whom they fall, would there not be some injustice in commuting them for an equal and general land-tax; in that case would it not put a tax upon some who now may be exempt from a cess?—Where persons are now exempt, they should bear a share; where not exempt, the new apportioning the cesses would ensure a more equal pressure. Some of them certainly could not be thrown upon the land, such as commutations for personal labour of individuals or families, &c. &c.; but all those falling upon the cultivator might be commuted into a land-tax without injustice.

2095. In the collection of the land revenue, what proportion of the gross produce of the land is taken by the British Government?—The average assessment of a beegah of land is one rupee and 14 reas for the whole of the four collectorates, or 2 *s.* 9 *d.* one-eighth per statute acre. The produce of a beegah of medium land has been determined to be about 240 seers; but the collector of Poonah, Captain Robertson, from personal observation, has determined that good land produces 412 seers; taking, however, the lowest estimate, and supposing the average price of mixed grains to be 30 seers the rupee, the assessment per beegah being a rupee and 14 reas, the proportion of the produce taken is not one-seventh. If the price of grains were 40 seers per rupee, it would be nearly one-fifth; if 60 seers per rupee, not two-sevenths; if only 15 seers per rupee, the proportion taken would only be one-fifteenth. Of course, if Captain Robertson's estimate be taken, those proportions would be doubled; there would be one-half less taken.

2096. If the land is not of uniform fertility, and a fixed quantity of produce is assumed to be a certain proportion of the whole produce, must not the actual payment from poor land exceed that from rich land?—I have thrown together the rich and poor land, and taken a medium produce; and I have also given an average of the assessment for the whole country, and reduced the two elements as nearly to a medium state as possible, thus making the conflicting anomalies compensate each other.

2097. In the actual detailed application of the charge upon the land, is there such an adaptation made as makes the tax regular, it being lower upon poor land than it is upon rich?—I have mentioned that there were no land measurements under the old Hindoo government, and that the tax was levied upon productive power, and not upon superficial extent; consequently there was an adaptation. The partial introduction of beegah measurements by the Mussulmans may have disturbed it.

2098. Do

12 April 1832.

Lieut.-Colonel
Wm. Henry Sykes

2098. Do you think that is done with tolerable accuracy?—The result of the revenue survey will be the test of that.

2099. Is there a revenue survey now going on in the Deckan?—When I left India in January twelve months there was.

2100. What time will it take to complete it?—They have been three or four years about it, and I think it will take two or three years more, unless unfortunately it should not be allowed to go on.

2101. Has the revenue of the Deckan increased or diminished of late years?—It has diminished considerably. From 1822 to 1827–28, it diminished five lacs, 33,399 rupees, independently of commissions; in 1827–28, four lacs and 15,000 rupees in Ahmednuggur, and four lacs and 16,320 rupees in Poonah, amounting to a total diminution of 13 lacs, 607,025 rupees, three-fourths and five reas, equivalent to 15 and 16 decimals per cent. of the revenue of 1822.

2102. To what causes do you attribute the decrease?—It is certainly an exceedingly difficult question to answer; it probably involves several causes. An apparent cause is the exceeding cheapness of agricultural produce, which disables the cultivators from paying their full assessments.

2103. It is stated by Sir John Malcolm, in his account of Central India, that the sudden cessation of war, and the return of the population to peaceful habits and the cultivation of the land, had both diminished the number of consumers, and greatly increased the number of producers, and to that he attributes a very remarkable fall in prices in the countries north of those of which you are now speaking. Can the fall of prices in the Deckan be attributed to a similar cause?—If such were the case, there would necessarily appear a much larger extent of cultivation upon the returns than formerly; but I have shown, from a comparison of eight towns under the Mahratta government, and under our own, that the cultivation has diminished.

2104. Was there formerly an export of produce to any district or country which is now supplied from any other quarter?—I do not believe there was. The only probability of export would be to the coast; on the land side the country is more fertile, and the produce therefore cheaper, consequently there would not be an export that way. There always has been considerable difficulty, from the descent of the Ghauts to the westward, in communicating with the coast; and I do not think the bread grains usually went, unless in small quantities, if I except probably wheat. The exportation has principally consisted in gram,* aromatic seeds, condiments and garden produce; also rice, of which there are several varieties cultivated in the Ghauts; but on the whole, I do not consider any alteration in the amount of these trifling exports alone sufficient to account for the great fall in prices of agricultural produce.

* Cicer Arietinum.

2105. To what is the fall of prices popularly attributed in the country by the people themselves?—The people appear as much at a loss to account for it as ourselves: some absurdly assert that the fall of prices is attributable to the failure of crops; but that is utterly inconsistent with a low price. One reason assigned to me was the diminution of the currency in the country. Another was the superfluity of grain.

12 April 1832.

Lieut.-Colonel *Wm. Henry Sykes.*

2106. What facts have come to your knowledge upon that subject?—In conversing with the natives as to the causes of their distress, and their inability to pay their assessments, the above were their explanations. The superfluity of grain cannot be doubted. The failure of the crops was an unfounded assertion; and with respect to the diminution in the circulating medium, as the yearly disbursements in the Deckan are said to exceed the receipts, it cannot be the fact. The relative value of silver and copper has been singularly altered in favour of copper; and yet uncoined copper is much cheaper than formerly.

2107. Of what does the circulating medium consist; can its standard in any way have been changed?—Silver and copper only. The relative value of copper and silver has been altered 26 per cent. by the money changers (shroffs).

2108. What may be the value of the annual exports in the Deckan?—Very trifling. The customs in Dharwar amount only to 5·84 per cent. of the whole revenue, and in Poonah, where they are highest, they amount only to 12·10 per cent. of the whole revenue. I have a list of the imports and exports for the inspection of the Committee.

2109. What government expenditure is there in the Deckan?—The civil and military establishments, and numerous pensions to natives; the absolute amount I do not know.

2110. Where is the silver coined of which the currency consists?—There is a large mint now established in Bombay for a uniform coinage; but I do not know whether it has commenced operations or not, certainly not on a large scale. The rupee current in Bombay is coined at Surat; the rupee in which the assessments in the Deckan are made, and establishments paid (the Ankoosee), at Poonah: but there are rupees of many other mints current in the Deckan, all of them at a discount; and rupees of the same mint and of the same standard, coined in different years, have a different marketable value, agreeably to their age, the oldest being the most depreciated.

2111. Has the standard of currency been altered of late years?—Certainly not.

2112. Was there any depreciation of the actual currency under the native powers?—I could not testify to that definitely. A very strange alteration has taken place in the relative values of copper and silver within a few years in the Deckan. Under our government, between the years 1825 and 1829, the relation between copper and silver has varied from 80 pice in the rupee at Serroor, in May 1825, to 56 pice in the same rupee at Poonah, in June 1829.

2113. Can you state whether any variation has taken place between copper and gold in like manner?—No, I cannot; gold is not current in the Deckan.

2114. Is the currency uniform through the Bombay presidency?—No, it is not; there are many coins received: there is the Surat or Bombay rupee; the Ankoosee, Belapoor, Waphgaon, Chandwur, Shree Gondee, Juree Putka, and 50 others probably, each of them divided into Nirmul, Chaapee and Soolakee, or "clean," "stamped," and "proved," all differing in value.

2115. Is the proportionate rate at which they circulate uniform throughout the different parts of the Bombay presidency?—I would say not.

2116. Is there then a varying rate of exchange between one part of the presidency and another?—Certainly; not only between Bombay and Poonah, but between district

12 April 1832.

Lieut.-Colonel
Wm. Henry Sykes.

district and district: in one district the rupee shall be worth 76 pice, and in its neighbour it may be worth 80.

2117. Does the rate at which these coins circulate in the different parts of the presidency exceed the amount of the cost of the transport of coin from one part to another?—It certainly does amongst the natives.

2118. Is there any paper circulation?—None whatever; there are bills of exchange.

2119. Were those principally government bills?—No, native bankers' bills.

2120. Are remissions of the land revenue charged upon individuals frequently granted?—Very commonly, and I think with great facility.

2121. When you say with great facility, do you mean that the persons granting them are often deceived and over-persuaded, and that they make them in cases where they are not required?—I mean that they are given very readily; that Government is exceedingly considerate in that respect, and permits the collectors to remit very large sums on their own inquiry and observation.

2122. Have remissions always been granted with equal facility?—I cannot speak to the time preceding my occupying the office of statistical reporter, from November 1825. From an extensive inspection of village papers, remissions appear to have been rare under the native governments.

2123. The Committee see that the terms tunkha and kumal are constantly occurring in the revenue accounts; be so good as to explain their meaning?—Under the Mussulmans, the revenue system was mouzawar or village; a whole village was assessed at a certain sum; this was the tunkha, which is a Persian word for an "assignment," *i.e.* the village was assigned to pay a definite sum; but beyond this sum the villages required to raise money for the village expenses, huqdars and other matters. The total sum raised was the kumal, which means "total," "totality," and those terms are not applicable to revenue systems, but to those simple circumstances.

2124. What are the branches of revenue in the Deckan besides the land revenue, and what proportion do they bear to the whole revenue?—The customs, the sayer and miscellaneous.

2125. What does the sayer tax average per head?—For the whole country it averages 9 rupees, a quarter, and 52 reas.

2126. What items do you include under the name of sayer?—Sayer in its origin is a Sanscrit word, meaning market. It is divided into two great heads, mohturfa and bullooteh; the first embraces taxes on shops, trades, &c, the second, the bullooteh taxes. Many of the extra cesses, previously alluded to, which are paid by the land, I observe in village papers are improperly classed under sayer.

2127. Did these taxes, which you denominate sayer, exist under the native powers?—Yes, they did.

2128. Exactly in the same state in which they do now?—Exactly in the same state they do now, as far as numbers go.

2129. As far also as the mode of collection goes?—As far as the mode of collection and the variety of the taxes go; but I have mentioned that some of the extra cesses in kind are now taken in money.

2130. Do you think they are a well-arranged system of taxation?—Many of them are objectionable. The shop tax, which is paid as a licence, I think is suitable.

2131. Is

12 April 1832.

Lieut.-Colonel
Wm Henry Sykes.

2131. Is it high?—The average does not exceed 18*s.* a year for any one tradesman.

2132. It has generally been found that taxes of the nature of licences have a tendency very much to discourage persons of small capital from entering into business of any kind?—No; in India that will not often be the case, because every man's son is bound from caste to follow the trade of his father, whatever it may be; and the licences are low.

2133. Suppose the son has not capital to enable him to carry it on, what happens? —In that case he probably turns soldier or labourer, or religious mendicant.

2134. Does the amount of sayer frequently prevent persons of small capital from engaging in business?—The amount does not appear here sufficient to produce that effect.

2135. Is there much trouble in collecting it?—It is collected by the potail and koolkurnee of the village, under the superintendence of the revenue officers, with some trouble of course.

2136. Is there much imposition in collecting it; do the officers take more than goes into the pockets of the Government?—Some, no doubt. Taxable persons under the sayer can be withdrawn from the lists

2137. Is that capable of remedy?—By making it the interest of the village officers not to conceal taxable persons; and in the revenue officers' means being made such as to release them from inducements to petty frauds.

2138. What other tax do you include under the head of sayer?—The bullooteh, which is a tax upon the fees in kind received by the village artisans from the cultivators, and upon their eenam (or jeft) lands, when they hold them. I see also that a per-centage upon bad coins is included in the accounts of one village, under the head of sayer.

2139. Have the goodness to explain to the Committee in what way a tax can be levied upon bad coins?—This is usually called the sherusteh butta, or customary per-centage on the difference between the coin in which the lands were originally assessed and the coin in which the cultivators paid their taxes. It is possible the cultivators may have paid in inferior coins to the coin of the state, and it was found necessary to fix a rate at which such coins should be received; the difference would be levied on the whole village, as the potail paid in the lump; but when the assessments were paid in the current coin, there should not have been any per-centage; nevertheless, in all the village accounts I have inspected, ancient and modern, throughout the country, this article appears a permanent charge, although the cultivator may have paid in the government rupee; and in case he pays in any other inferior coin, of which there are many in the country, he has to pay the per-centage upon that particular coin, agreeably to the bazaar rate, and this is called bazaar butta. The cultivator in such cases, therefore, pays double per-centage. I suppose the sherusteh butta to have been one of those inventions to increase the revenue without affecting the sostee dur or permanent rate upon the land.

2140. Did you not state on your last examination, that under the native powers, as well as since the Deckan had been in possession of the Company, the land-tax itself had not been increased?—Yes, I did.

2141. And

2141. And that the only increase of taxation was through the medium of these cesses?—Yes. I do not think I mentioned before that those extra cesses are called babtees.

2142. Do the people of the country consider the Government as pledged not, under any circumstances, to increase the amount of the land revenue?—Unless under a revision of the whole system. I think they consider that should be the case. There are certain districts, however, in the Mawuls, where they consider it necessary, from changes in the direction of the rivers or rivulets, or from other accidental circumstances, that a new valuation of the land should take place every six or seven years.

2143. In cases where remissions have taken place, if the price of produce should again rise, would they not think it fair that the land revenue should be increased?—I think it would not be advantageous that any cultivator should have the prospect of an increase before him; he would admit, of course, the propriety of it, if he found his profits quite sufficient to meet their increased demand; but a man will not lay out money upon his land, if he has the prospect of having his profits shared by Government in any proportion it chooses to fix.

2144. What does the whole revenue of the Deckan average, viewed as a capitation tax?—Viewed as a capitation tax, it is four rupees and two reas per head, or about 8*s*.

2145. By the account that you have given, it does not appear that the taxes and assessments are so heavy as to be very burthensome upon the people; how do you account for the general poverty, and for the recurring calls for remissions in the rents?—I would say that the law of succession of property is one principal cause of constant poverty, and the immediate pressure arising from the exceeding cheapness of produce.

2146. Are the Committee right in believing that the Mahomedans, according to the tenure on which they hold property, are at liberty to leave it as they please, but that the Hindoos leave it to their sons, or all the children?—I have not studied the Mahomedan law sufficiently to answer that question; but I think the Mussulmans may leave it as they please. Division is the Hindoo law.

2147. Is there any doubt, that amongst the Hindoos the property must be divided amongst all the sons, and that they have no power of disposing of property by will?—I think the impression of the people is, that they are bound to divide their property equally among their sons.

2148. Whatever the law may be, the Committee understand you to say, that in practice the property, be it what it may, is divided among the descendants upon the death of the father?—Yes: the people think themselves bound to divide it equally, from usage.

2149. And this process, in your opinion, tends to keep the people poor?—This process necessarily tends to keep the people poor, from its preventing accumulation of capital.

2150. Does anything occur to you as likely to improve the revenue, or to ameliorate the condition of the people in the Deckan?—The first thing is the exact measurement of the lands, and a new valuation of them; raising exportable articles, the abolition of transit duties, the abstaining from inquisitorial examination into the lands

12 April 1832.

Lieut.-Colonel Wm Henry Sykes.

lands and habits and speculations of the cultivators, leaving them to themselves as much as possible, and, of course, the adaptation of the taxes to their means, leaving them a rent; also the settlement of enterprising capitalists in the country.

2151. Are there any products which could be profitably raised in the Deckan for exportation?—Sugar, to a great extent; there are four kinds of sugar-cane in the Deckan.

2152. Do you think that sugar, under the present regulation, could be raised at such a price as to compete with the West Indian sugar in the market?—I should think so, from the price of field-labour varying from 1 *d.* to 4 *d.* per diem.

2153. Is there any market for sugar in the East?—There is a considerable consumption for it, but not such a consumption as to absorb all that is or could be produced.

2154. How is China supplied with sugar?—Chiefly from its own resources, and probably also from India and Siam.

2155. What other productions could be raised besides sugar, which might be profitably exported?—Silk and cotton to a limited extent, and indigo.

2156. Is silk raised in the Deckan now?—Yes, and it is improving.

2157. Under what circumstances is it raised, and how is it managed?—It is at present in the hands of a very few people, and there is some difficulty in extending it, from the want of capitalists.

2158. Is the white mulberry cultivated in the Deckan for the sustenance of the worm?—There are three or four species of mulberry.

2159. Is it the same mulberry that is raised in Europe?—I think not the same mulberry. Here is the first species, here is the second species, and here is the third species [*referring to sketches in a manuscript book*]: the white mulberry is one species, the Morus Indica is the second, and there is a third species; also a smaller shrubby kind, producing an exceedingly nice fruit.

2160. Why do the natives object to the cultivation of silk?—I do not know that they object; it is a troublesome operation, and the Hindoos do not like beginning anything new.

2161. Is it a profitable employment?—It must be a profitable employment, but it requires energy; it requires tact, and it requires perseverance.

2162. Were any Europeans engaged in the produce of silk in the Deckan?—When I left India there were three or four that were disposed to undertake it. An Italian of the name of Mutti had taken a garden in the neighbourhood of Poonah; the civil surgeon Graham, a friend of mine, had taken a large garden at Ahmednuggur, for the purpose of planting mulberry trees, and cultivating silk; I think he had got a lease of it for a number of years. Dr. Owen, a medical gentleman at Serroor, was raising worms on a small scale, and the collector at Dharwar had raised them successfully. I saw several specimens of the silk.

2163. What do you know of the quality of it?—The quality was looked upon as equivalent to some of the China silks. I attended with Sir John Malcolm at the examination of some of Mr. Mutti's silks at Poonah, and they were pronounced to be very good. His establishment presented a pleasing picture in the cheerful and busy faces of the men, women, and children employed, all of whom had learnt the management of the worms and cocoons with great facility.

2164. Is

12 April 1832.

Lieut.-Colonel
Wm. Henry Sykes.

2164. Is there any other article suited for export?—I would mention a wild silk, which appears to be very valuable, the cocoon of which is very large, and the fibre is 15 times stronger, bears 15 times the weight of the ordinary cocoon. I sent a drawing of the insect and an account of it to the Royal Asiatic Society, through the Literary Society of Bombay, some years ago.

2165. Is this an article that is known in commerce?—It is not known in commerce; but it might be cultivated certainly.

2166. In what respect does that worm differ from that already known?—In the larva being of a much greater size, and spinning a stronger thread. The cocoon is from an inch and a quarter to an inch and a half in length: it is a new species of worm.

2167. In what parts is this wild worm found?—In all parts of the Deckan.

2168. Could it be domesticated, do you suppose?—I made repeated trials, and although the females laid their eggs, I could never get the eggs previously impregnated by the males, and the eggs would never fertilize. But I am told the worm has been bred in Dharwar.

2169. Can the cocoons be collected from the wild worm?—Yes, in great numbers. I have a great number of cocoons in my possession now, and they are always for sale in the bazaars of the Deckan, under the name of kolesurra.

2170. Is wax an article that could be profitably exported?—To a great extent; there are four species of bees producing honey, and the honey is remarkably fine, and very abundant. None of the bees have been domesticated, but honey is so cheap that you get 11 pounds for 2*s*. The finest wax candles are made, and could be imported into England but for the duty, amounting to a prohibition. In my individual instance, on landing in England, I had a large supply remaining of my ship store, and it was necessary to pay half-a-crown a pound duty upon the supply or abandon the candles, which is the common practice.

2171. Could not the wax be imported at an early state of preparation, and before it has been manufactured into candles?—Certainly.

2172. Is the importation of wax into Europe from the East-Indies increasing?—I have not seen the returns. There are a number of gums dyes, and lacs, that might be exported from the Deckan. The Deckan produces genuine gum arabic to an unlimited extent, if the people chose to collect it: the woods also produce many gums and medicinal plants.

2173. What was the organization for the collection of the revenue, and what were the regulations of the police under the Hindoo government in the Deckan?—Each village formed a community within itself, consisting of the potail and his assistant, the chowgalla, the koolkurnee or village accountant, the barah bullooteh or twelve artisans, and the mahr, whose duty it was to look after land marks and to assist in collecting the revenue. The lands were divided into family estates called t'huls, bearing the family name, and hereditary in the family; the owner of part of one of these estates being called t'hulwahee or t'hulkuree, corresponding to the term introduced by the Mussulmans to designate the rights of these holders, viz. meerasdar, or holder of hereditary land. A certain number of those villages were thrown together into a naikwarree, over which was a naik; a certain number of naikwarrees constituted a deshmokee, under an hereditary officer, always a Mahratta, called a deshmook; the deshmook was assisted by a deshchowgalla: the

12 April 1832.

Lieut.-Colonel *W'm Henry Sykes.*

the accounts were kept by a deshpandee, or provincial accountant. Above those officers again there was an intermediate link between them and the prince, in sir deshmooks and sir deshpandees. The deshmook had the civil charge and the police of the province; the deshpandee had the charge of the accounts of the province, and he was always a brahmin. The division of the country into soobahs, talooks, purgunnahs, and turruffs, was the work of the Mussulmans. I would take advantage of the present opportunity to say, that the person usually called Potail, in works on India, is only known in the Deckan by the name of Pateel, the way in which the word is spelt in the Mahratta language.

2174. Are the officers in this organization still retained in active employment?—They are still retained, but only the village officers in active employment.

2175. What authorities have been substituted in their stead?—Our own revenue servants.

2176. Europeans or natives?—Europeans and natives. Our collector corresponds to the sir deshmook, and our native mamlutdars correspond to the deshmooks under the Hindoo system.

2177. Are the lands and emoluments which were originally possessed by those people continued to them?—Yes, they are.

2178. Then they still remain a charge upon the public?—They still remain a charge upon the Government and upon the cultivator, as they were paid partly by a per-centage upon the revenue, and partly by fees in kind. They have in most villages also lands tax-free.

2179. Do they constitute a heavy charge upon the public?—Very considerable.

2180. Can you form any idea of the amount?—It varies in different districts from one to five or six per cent. upon the revenue.

2181. Why has it been thought necessary to set aside those persons, and substitute others in their stead?—They were dispossessed by the Mussulman government.

2182. Would it not be a wise measure to restore them again to their employments, and to get rid of those who have been more recently appointed at a more modern date?—Certainly so.

2183. Have you any doubt that they would discharge their duties with fidelity?—There is much more reason to believe that they would discharge their duty with fidelity than those who are at present appointed; they are men who have a permanent interest in the land, and have something to lose. Our revenue servants are adventurers.

2184. Would not such a measure be very acceptable, by restoring the ancient institutions?—No doubt, by restoring to them their ancient functions and authority they would be pleased and grateful.

2185. Does the tenure of land, and the manner in which the revenue is levied, produce much uncertainty of property, and much litigation, in the Deckan?—The tenure of land is so simple, and intelligible and unquestionable, that I do not think it can produce more litigation than the possession of land does in Europe; property is hereditary there just as estates are hereditary in England.

2186. Is there such a doubt as to the rights of the occupants as to create much dispute and dissatisfaction?—There may be amongst families in some cases.

2187. What

2187. What courts are there for the resort of litigants?—Courts of the European judges, and the collectors are also magistrates. But most of those minor matters are decided by the punchayet amongst themselves by arbitration.

2188. Do the punchayet courts still prevail in the Deckan according to their ancient forms and institution?—The people are left at liberty to decide by arbitration if they please, and assemble punchayets.

2189. Do the zillah courts exist in the Deckan?—There are judges, and criminal judges, and courts of circuit.

2190. Are they choked up with business?—I believe there is a good deal of business in arrear, but I do not consider myself competent to give an answer to such questions, not having collected facts connected with the administration of justice. I could only speak to the feelings of the people in regard to our courts of justice.

2191. Are there extensive manufactures in the Deckan?—Scarcely any; they are reduced to the production of the very coarsest cotton cloths and blankets. I took a list of almost all the cloths in Poonah for sale, to see from whence they came, and I found, to my great surprise, that the four provinces of the Deckan produced scarcely a thing for sale beyond the coarsest articles. Valuable articles either came from the Jagheerdars' territories, or from Seendeh's (Scindiah's), Holkar's, or from Berar, or they were of European fabric.

2192. Have the manufactures been affected by the importation of the British commodities?—Very seriously indeed.

2193. In what articles have the British commodities interfered with them?—In all the cloths beyond the coarsest cloths.

2194. Do the lower class of people wear British cloths?—Yes, cottons and woollens, when they can afford to buy them.

2195. Do they appear to be better clothed in consequence?—Yes, I think they wear finer fabric of cloth than they did before.

2196. What is the rate of interest paid by the cultivator for the advances of capital, and what persons are in the habit of making those advances?—About two per cent. a month, but it is sometimes much higher; and in borrowing seed-grain, it is frequently 100 to 150 per cent. The lenders are brahmins, and that class of shopkeepers called the warees, who correspond to grocers and grain-dealers in Europe.

2197. Are the ryots in such a situation as to make it necessary for them frequently to borrow at this most extravagant rate of interest?—I am afraid they are, as there is a great deal of improvidence in the ryot.

2198. Is the land property in the Deckan much encumbered?—I think a great number of mortgages exist upon it, but all in the small way.

2199. Do you know whether it is the habit of the landholders of that district to subdivide property into very minute portions, for the purpose of mortgaging?—I have no doubt that they do do it.

2200. Have the ryots much fixed capital on any of their farms?—I do not think that the ryots have any capital beyond their land, their cattle, their ploughs, the ornaments upon their wives, and a few household utensils; most of them have arms, and many of them horses.

12 April 1832.

Lieut.-Colonel *Wm. Henry Sykes.*

2201. Are the agricultural implements which they use of an expensive kind?—Very cheap and simple, but quite sufficient for their purpose.

2202. Do you think the land tolerably well cultivated?—The returns are very large indeed, and would indicate an efficient cultivation.

2203. How many fold for the seed?—For wuree * the returns are 240 for one. For bajra †, which is the sujgoora of the Mahrattas, 2,120 seeds upon one head; but I have found plants with eight or more heads, giving a return of 16,960 seeds for one. For jondla ‡ or jowaree the return was 2,895 seeds for one, and I think the kodroo § or bhurtee gives the astonishing return of 61,380 seeds for one. Wheat 80 for one, with three heads; but I have specimens of wheat with 25 stalks from one seed; and the return of the kateh guhoon, a field wheat, is from 380 to 480 for one.

2204. Is the banana or plantain cultivated in the Deckan?—Many varieties are cultivated.

2205. Does it form to a great extent the food of the people?—The fruit is very much eaten.

2206. Is tobacco cultivated in the Deckan?—Tobacco is cultivated to a considerable extent, and one kind of tobacco is very good. This variety is cultivated near Meeritch.

2207. Is it an article of export?—I think the Meeritch is.

2208. Might the export be increased?—Yes, I think it might.

2209. What tax is levied upon it?—I do not recollect that the lands grown with tobacco are assessed expressly in the Deckan.

2210. In what way are the taxes levied on pasture lands?—The Brinjarees, who have many thousand head of cattle, and the dhunghurs or shepherds, who have millions of sheep, make arrangement with the collector or district officer to pay a certain sum for liberty to feed on certain tracts of waste land: this is done annually. There is in every village a certain portion of land on which the grass is allowed to grow, called a koorun or park. These kooruns, I believe, are put up to auction. It is very common for a European gentleman, who has a large stud, to get one of them. Hay is not made in India.

2211. Are horses bred to any extent in the Deckan?—Sir John Malcolm has endeavoured to extend the breed on the banks of the Beema river, at Allygoor, where there is a Company's stud, and I think successfully. Arab horses were introduced as stallions in different parts of the country, and premiums offered to the natives for improved crosses; but the Mahratta horse was an exceedingly valuable beast. Mr. Elphinstone did a good deal to improve the Deckan breed.

2212. Are they used by the natives in the cultivation of land?—Not at all.

2213. Are they used by the natives in the transport of commodities from one part of the country to the other?—The tuttoo, or pony, is a common means of transport.

2214. Not bullocks only?—Not bullocks only. They are principally used to carry salt and grain; an immense quantity of salt is taken every year by those remarkable people the Brinjarees into the Deckan from the coast.

2215. Who are the Brinjarees?—Their origin is involved in great obscurity, but they are entirely a pastoral people, who never live in houses, have no fixed residence,

* Panicum Miliare.

† Panicum Spicatum.

‡ Andropogon Sorghum.

§ Paspalum Frumentaceum

dence, but are constantly under canvas They have millions of cattle, are always armed, and have certain privileges of character, so that they even pass between contending armies without being attacked or molested.

2216. Are they predatory?—They are an unruly body of people, and no doubt, where they are strongest, help themselves as they pass through the country; but they are an exceedingly useful class of people, and armies could not move without them in India.

2217. Are they distinct from any other class of the people?—Quite distinct. Their persons, their ornaments, their arms, their habits, and such religious notions as they have, are quite distinct from those of any other class in India. They may ultimately be found to be the descendants of the ancient persecuted inhabitants of great part of India, the Boodhists.

2218. Are they distinct in their language?—The language they speak is that generally spoken in the country in which they wander.

2219. Have they anything of the nature of caste among them?—Not among themselves; they are evidently a low caste people, that is, they are free from the prejudice of caste which exists among the Hindoos.

2220. Are they treated as a low caste of people by the Hindoos?—They cannot associate with the Hindoos; but, in fact, the Hindoo distinction of caste goes so far, that even among the *outcasts*, a man of a certain race or family will not eat with one of another race or family.

THOMAS FORTESCUE, Esq. called in and examined.

Thomas Fortescue, Esq.

2221. WILL you be so good as to state what was the last situation you held in the civil service in India?—Commissioner for the Civil Affairs of Delhi.

2222. How long did you hold that office?—I was there about ten months, whither I was deputed for the purpose chiefly of reporting upon the state of the country, which I did in all its branches.

2223. Was your attention particularly drawn to the collection of the revenue?—It was, though not more so than to the other departments, the judicial, the customs, and the jaghire tenures; very full reports on these points were sent to Government. I described minutely the state of property in the country.

2224. What was the extent of the district to which your attention was particularly drawn?—The whole of what was called the Reserved Territory of Delhi, which was distinct from that part of the country over which the regulations operated.

2225. Does it include what is called the Ceded and Conquered Provinces?—No; the territory of Delhi is quite distinct, and on the opposite side of the Jumna.

2226. What is the nature of the influence of the Company in the district to which you allude?—The same as in other parts of our territories, except that the regulations were not specifically introduced there for the administration, though the spirit and outline of them were followed.

2227. As much under the British Government as Bengal?—Precisely, with no difference, except regarding the regulations.

2228. Can you inform the Committee what were the original regulations for collecting the land revenue in the district of Delhi when it was in the power of the native government?—The minute details of those points are contained in the report on

12 April 1832.

Thomas Fortescue, Esq.

on the revenues of Delhi, which I have referred to; but I may repeat them in a word, by saying that there was no regular code of regulations or system.

2229. Was there no regular system in practice?—So far in practice as the best arrangement that the weak and irregular government could effect for the realization of the revenue; barely the name of a system.

2230. Did the village officers, who appear to have existed in early times throughout the East, continue in authority and power under the Mahomedan government?—In no part of our provinces where I have served have I seen the organization of society so good as it was in the territory of Delhi.

2231. Be so good as to describe the detail of that organization, either in districts, or in villages, or on whatever footing you found it?—The nature of the Mahomedan government, before we got possession of the Delhi territory, was such, that the villages, many of them, united together for their own protection, and they organized themselves entirely with reference to every point connected with their security and their advantage. Almost every individual in each village had an acknowledged portion of the soil, and a right to it; and the revenue which the government obtained was generally in proportion to its power to collect. Large villages containing a number of inhabitants, or small ones connected together, who could defy the power of the government, paid little or nothing; so that when we got possession of the country some villages actually contributed no revenue; but others, which were weak and unable to resist, paid to the extent of their capability. The local officers were few, and those appointed by the inhabitants of the villages themselves.

2232. In the districts in which rent was collected for the government, was the amount paid by each ryot uniform and well ascertained?—Extremely so amongst themselves. There was generally a person, named the mocuddam, and one of their own society, who was elected and selected, according to their own notion of his capacity, to manage their affairs, and who was the forward person to adjust every thing with the government.

2233. Have there been tolerably accurate surveys of the district?—Subsequent to our obtaining possession most of the villages have been surveyed, not scientifically, but cursorily, by the revenue officers.

2234. Have the villages themselves any records of the property before our conquest?—The property was so strongly recognized in the territory, that the families who had absented themselves from various causes for years, returned, claimed and got possession of their lands without any opposition, in the old villages which they had formerly occupied.

2235. Was there any dispute with respect to the boundaries?—None. There were, as well as I recollect, about 600 villages, the names of which were on the records when we got possession, uninhabited; and when I had to report upon the province, there were 400 of them re-peopled, and chiefly by persons who had themselves, or as the descendants of former occupants, hereditary and admitted property in those villages.

2236. Was there in those villages any officer known by the name of the zemindar?—The word zemindar generally was not known there; it is, I may say, a word of such wide and ambiguous meaning, that it is always requisite to apply it with some precise restriction, otherwise one is misled considerably.

2237. What

2237. What individual was employed by government to collect the revenue?—Government officers, such as the tehsildar, who collected from the chiefs, appointed by the aggregate proprietors of the villagers themselves.

2238. Was there in those villages any class of persons living upon rents, and not actually cultivating the soil?—There was no person between the proprietors and the government.

2239. Will you be so good as to define what you mean by the term proprietor?—In Delhi, a person who has had hereditary possession from time immemorial of certain portions of land included within the nominal boundaries of the village; that hereditary possession gives him the right to dispose of the same as he pleases, to hire it or lend it, subject only to certain local customs of their own, and his heirs become the proprietors: such constituting what I call a proprietor.

2240. Are the Committee to understand, that in the answer you have given you allude to the right of possession which is inherent in the actual cultivator of the land, or do you allude to a class of persons living upon rents paid to them by persons residing upon the land?—No, I mean the former, though they have persons often assisting them in their cultivation. The most perfect description of property that I have personally met with in India is found in that territory, in the manner I have endeavoured to describe.

2241. Was the office of tehsildar, the person whom you have alluded to as collecting the rent for the government, an hereditary officer?—No; a mere officer of government, like any other individual officer.

2242. What hereditary village officers were there in this district?—I do not recollect that there were any hereditary, for this reason, that the people always appointed officers who were best suited to their purposes for internal government, and for dealing with the ruling power.

2243. Were they always appointed by the inhabitants themselves?—Always, and changed also by them. When, for instance, making a settlement of a village, sometimes one or more, in the name of the village, would come forward calling themselves mocuddams; these were dealt with, and the village was satisfied with the arrangements they came to. Those mocuddams might be changed at pleasure; but when an individual proved clever, and conducted himself to their satisfaction, they maintained him in office; he was a principal, who held that situation mostly on account of his capacity.

2244. Did he consider himself authorized to hold his office for life?—Never, only at the will and pleasure of the village, changeable as they chose.

2245. Was the office made hereditary?—Sometimes it was hereditary, as might be that of putwaree or canoongo, but it was a contingent matter; it was not necessarily so; it depended entirely upon the pleasure of the inhabitants of the village, and upon their opinion of his abilities.

2246. It would appear, therefore, that those persons had no power of oppressing the ryot?—I cannot say that they might not have power to do so, but I am not aware that they did. There must be exceptions; but taking it as a general thing, they did not by any means.

2247. Do you think they collected the revenue fairly for government?—Very fairly; and particularly fairly towards the inhabitants, generally speaking.

2248. What

14 April 1832.

Thomas Fortescue, Esq.

2248. What communications had they generally with the collector of the district?—They were the people who communicated with the collector in respect to the revenues of the village; they collected it, and paid it either to the collector immediately, or to his appointed tehsildar or other officer.

2249. Since the district has come under the authority of the Company, has the same system continued in operation?—Up to the period when I left Delhi, in 1821, it was so. I suggested that it should remain, as being at that period of time not advisable to make any change; that is to say, it was extremely good.

2250. If you were asked whether this was according to the permanent settlement, or to the ryotwar settlement, or to the mouzawar or village settlement, should you say that it came under the description of either one or the other?—I should not.

2251. Is there any name habitually given to this description of settlement?—No, I cannot say that such mode of settlement is known in the Ceded and Conquered Provinces; it may be called a village settlement, because you settle with an entire village; but the distinction is generally this, that in Delhi you settle with the whole of the villages through the medium of those deputed by them, who are only the organ of their will, whereas, in the Ceded and Conquered Provinces, the person engaging is considered more in the light of a very extensive proprietor, even as the whole proprietor of the village for which he engages.

2252. Under the system which you have alluded to, do the government rents run in arrear?—Rarely so: there are of course, however, instances in which they do.

2253. What mode of compelling the payment was resorted to in case of an arrear accruing?—Generally speaking, when arrears do occur, they happen, on inquiry, from some reasonable cause.

2254. Are abatements made or arrangements made for the payment at some future time?—According to circumstances. If disputes among the proprietors cause a delay in the realization among themselves of the revenue, and on inquiry that appears, the demand is naturally delayed; if it has proceeded from climate or from any failure of produce, it is remitted; but there is an equitable mode of proceeding which prevents any great balances or difficulty.

2255. Has any great change taken place in the value of agricultural produce since it has been in the possession of the Company?—I do not think that there has. I am not aware that there is any great change in the value of crops; the value of property has become more.

2256. Has there been any remission of the government rent, or does it continue as high as it did?—The gross receipts from the territory are very greatly increased, but the reason is owing to causes which I have described.

2257. Was not that a district that suffered very much by war?—Very greatly indeed, and by famine too.

2258. Has not the restoration of peace tended materially to improve the district and to restore the natives to the possession of their land, and to renew the cultivation of it?—Very greatly, I think; and the system of administration also has been peculiarly adapted to the state of the country.

2259. That, in your opinion, has succeeded?—Extremely well. I am not aware that any system could be more successful.

2260. What

2260. What courts of justice have been established there?—I cannot speak upon that with reference to the period since I came away; but when I was there, the system was, four gentlemen, denominated assistants, were appointed under me, and placed in different parts of the territory; those gentlemen had all the powers of collectors, magistrates, and judges to a certain extent, superintended by myself.

2261. Was there anything known in that district of the system called punchayet?—Very well known indeed, and very often practised.

2262. Is that mode of settling disputes, either personal or with respect to property, approved of by the natives?—Very much approved of: it was almost the only means which they had, previous to the British Government, of settling their disputes.

2263. Have the zillah courts been established in that district?—Those gentlemen to whom I have alluded constituted the zillah courts while I was there. Under them were natives, who had inferior tribunals.

2264. Were the zillah courts crowded with business?—By no means.

2265. Is there anything in the habits and manners of the people in that district which would lead you to think that they were disposed to litigation?—Certainly not.

2266. Upon the whole, you entertain no doubt that that district of country is rapidly improving?—Up to the period when I left India, it had improved very rapidly indeed.

2267. Do you think that the condition of the actual cultivators was improving?—Their condition was very comfortable; I think they felt satisfied with the manner in which they were treated.

2268. Does the difference which you describe, between the authority of the engaging parties for the village rents in the Delhi territory, and the authority of the engaging parties in the Ceded and Conquered Provinces, arise out of the different institutions prevailing in the two provinces, or out of the mere terms used in the regulations of our government in describing a person entitled to engage?—Out of both; the institutions with reference to Delhi, and the regulations in the Ceded and Conquered Provinces; the authority of each was derived from each source.

2269. Do you conceive that there is an essential difference in the institutions of the two districts, or that the difference has been created by the regulations?—Greatly created by the regulations.

2270. Then in fact they were identical?—I would not say exactly identical.

2271. But very similar?—Very similar; in the territory of Delhi the people were left much more to themselves, and more obliged to bind themselves to themselves for the sake of their own protection, than the people on the opposite side of the Jumna, and consequently their organization was more perfect. The individuals (the mocuddams) whom I have mentioned were more like generals and chiefs who managed for them, and took care of their interests, than was necessary on the opposite side.

2272. Were the persons whom you describe as possessors or proprietors, and who were the actual cultivators of the land in the district to which you have alluded, in a better or in a worse situation than those in the Lower Provinces of Bengal?—I should say better, and in a more happy situation; more independent.

12 April 1832.

Thomas Fortescue, Esq.

2273. To what do you attribute that?—I attribute it to their feeling of security in their possessions, and the privilege they have of arranging for and paying their revenues themselves to the officers of the government.

2274. Are the Committee to conclude from your answer, that you think that the cultivators in the older provinces, where the permanent settlement prevails, are so completely under the jurisdiction of the zemindars, that they have little or no security in the property which they cultivate?—Certainly; I think that the operation of the regulations has been such as to render the situation of the ryots generally in Bengal very insecure in the enjoyment of their land.

2275. What situations have you held which have enabled you to become acquainted with the system under which the revenue is collected in the Bengal provinces?—I have been in charge of three collectorates; viz. the district of Midnapoor, in Orissa; the districts of Dacca and Moorshedabad, in Bengal. In Behar I was judge and magistrate of the city of Patna, and subsequently officiating judge of the Court of Circuit and Appeal at Benares, when I visited on circuit most of the districts in that division; besides which, I have been secretary to three revenue commissions; one for the province of Cuttack, on the conquest of it, one for the Ceded Provinces, on the cession in 1801, and one for the Ceded and Conquered Provinces united, during which latter period I had occasion to officiate in two districts, viz. Allyghur and Mynporee, as collector, and have sojourned repeatedly in each of the zillahs of those provinces.

2276. Can you inform the Committee at all what was the situation of the zemindars in those provinces where the permanent settlement has taken place, previous to the introduction of the permanent settlement?—Generally speaking, the zemindars were not what the operation of the regulations afterwards made them.

2277. Was he an hereditary officer?—In very many instances the office was hereditary; exceptions there were; that is to say, that the person known under the regulations *now* by the term zemindar, was *then* often a proprietor of parts of a village, of an entire village, and even whole villages, obtained by various means, by such, for instance, during his authority, as getting cultivators to clear wastes and establish themselves, or by grants of lands.

2278. Are the Committee to understand, that you mean that a person who possessed property obtained from other sources might be a zemindar, but that he had not that property because he was a zemindar?—Yes.

2279. Was it always an hereditary office in the Lower Provinces of Bengal?—No.

2280. What was the right of succession; or, in case of its not being hereditary, who appointed?—The ruling power appointed; and it often became hereditary from various circumstances; from the rank and influence of the family with the rulers, the efficiency of the management from local considerations, large douceurs, &c.

2281. Did you ever hear of a case under the permanent settlement in which the office of zemindar was held by all the sons of the former zemindar?—Yes; but that does not imply that the father was in authority as possessing the right to all the property.

2282. Was not the usual course for one son to inherit from the father?—It was and is the usual course for sons to inherit; but though that did obtain, it did not yield

12 April 1832.

Thomas Fortescue, Esq

yield to him necessarily any proprietory right beyond what he had of his own and family's; his was a right (to which he succeeded perhaps) of arranging for the revenues of his extensive holding.

2283. It was an hereditary right to perform a given duty?—Often hereditary, but not necessarily so; yet, even if it was so, it did not affect the rights of the ryots.

2284. Can you give any account of the manner in which the title zemindar arose and became attached to the office of which you are speaking, understanding that the term zemindar means, in the language of the country, landholder?—That is a very indefinite expression; it does not imply any right in itself; it is merely a relative term, "zameen" meaning land, and "dar," a person having that relation; but in itself it expresses no precise relation; and we see consequently that the term zemindar is at times applied to a person who neither himself claims, nor is supposed by others to have, the proprietory right in the soil over which he is zemindar.

2285. Therefore the term zemindar might have been applied with perfect propriety to a person who had nothing more than a connexion with the revenue of that country?—Quite so; and when we obtained possession of the Ceded Provinces, and proceeded to form settlements, the persons with whom engagements were made were often indifferent under what term they were accorded. It was not till individuals knew the advantage, as transferred from the Lower Provinces, of having the name of zemindar recorded, that the party engaging selected it. It was then that great mischief and destruction of property commenced in those provinces.

2286. Are you aware that the present Rajah of Benares is a person who acquired a zemindary power over his district only a short time before the acquisition of the country by the British Government?—A zemindary must be described; as a term, it is as indefinite in itself as the word zemeendar. The advantages of the zemindars were often contingent, and derived from many indirect sources, as well as their own and family's private property in the soil; but the term zemeendar implies not the right to the property within his *holding*, for that is the only term I can make use of to prevent the supposition being entertained that they were or are necessarily land proprietors of all, because they are zemindars.

2287. Before the permanent settlement of 1793, was not the zemindar understood to be paid by a per-centage on his collection, and also by an *usu fructu* of some portion of the land of the district?—Very often so; he had various advantages within the jurisdiction that he possessed, as I have endeavoured to describe. What I wish is particularly to guard against any expression which should lead the Committee to suppose that the zemindar possessed property in the zemindary beyond that which was accidental.

2288. In case of malversation, was he not liable to bodily punishment, previously to the permanent settlement?—Constantly; so was every individual who was an officer of government; it was not limited to him; they were often confined, maltreated and beaten in every way by the government.

2289. Were they not liable to the confiscation of their land and personal property?—Quite so; but that confiscation did not go to disturb all or other actual occupants of the soil and their properties.

2290. Do

12 April 1832.

Thomas Fortescue, Esq.

2290. Do not you understand that the effect of the permanent settlement has been to vest in the zemindar a nominal property in the soil?—Neither the spirit of the regulations, nor the minutes recorded anterior to them, meant to convey any right which should injure the subordinate holders.

2291. But practically speaking, have they not done so?—Practically speaking, it has been so; not that it was so intended to the prejudice of the ryots.

2292. Was not it a part of the regulations that the zemindar should be deprived of all judicial and financial authority?—Quite so.

2293. At first, was not the zemindar subject to a summary power, on the part of the government, in case his payments were in arrear; was he not liable to have his lands sold of which he was supposed to have possession?—Quite so; he was subject to have his interest in the lands sold; but that does not imply that he owned them all as his personal property.

2294. At the same time, was he not left without a summary power of enforcing a payment of the rent from the ryots?—No.

2295. What power had he?—He had the power of attaching and distraining.

2296. In case he distrained, could not the cultivator appeal to the zillah court, and so interpose a delay?—That was the case; but held out, as the measure was, as a means by which the ryot might protect himself, it proved nugatory nearly in effect, for the courts were too distant and expensive, and they were not informed sufficiently of what the regulations declared with reference to the rights of the ryots. The regulations declared enough to intimate to the courts that there were rights, but they neither pointed them out, nor assisted them in obtaining a knowledge of them.

2297. How do you account for the immense increase of litigation on the introduction of the permanent settlement?—I think it is principally to be accounted for by the bad distribution of the aggregate business of the country amongst the various tribunals, and not calling in the aid of natives; our processes, too, are more formal than efficient.

2298. Had the same course been pursued in 1793 which you have informed the Committee has been subsequently followed in the Delhi province with so much success, do you think it would have led to the same results?—I do not think the state of the province in 1793 was such as to authorize the same course; in fact, the course of Delhi was, when I left India, what we found it, undisturbed and preserved, with only few and simple changes of improvement; whereas the course pursued below was rather more to derange what it certainly was a primary object of the regulations to adjust for the ryots, by omitting to follow up a declared intention on their behalf.

2299. Could such a system as you have described have been established in Bengal?—No, not such as in Delhi.

2300. Did not all the materials exist at that time in those provinces?—I do not think they did so perfectly.

2301. Were the village institutions in the Lower Provinces disturbed previous to 1793?—They were a good deal; but the village institutions and internal organization have been greatly broken up since.

2302. Has

2302. Has it at all assumed a permanent footing down to this time in Bengal?—By no means; it is as confused now as it can be. I find it owing to this greatly that measures respecting the ryots' interests have proved so difficult.

2303. Having given the zemindar a property in the soil by the Regulations of 1793, and a right to hold his territory, provided only that he pays a fixed rent, in what way can the Government interfere, so as to restore to the ryots those rights which it appears desirable that they should possess?—I would premise, in the first place, that neither the intention of the Government, nor the spirit of the regulations, went to give any right to the zemindar that was to interfere with subordinate rights; next I would say, that had the rates by which the ryots were formerly liable to be assessed been recorded at the permanent settlement, and fixed, the value of the rights of the ryots would ere this day have been very considerable, and rendered them secure and comfortable. Such rates, in some instances, were recorded, and have been appealed to; and, if my recollection is correct, are to be found inserted in some of the ryots' pottahs.

2304. Has not an attempt been made to force the zemindars to grant leases or pottahs?—Yes; but they have not generally succeeded. The ryot as well as the zemindar has objections; the former have always opposed themselves to recognize any person in the character of proprietor, which they consider themselves to be; besides, by binding themselves by such a deed, they might be ruined by untoward events beyond their reach, although they do not object to pay the demand of Government.

2305. Do you think that the cultivators look forward with hope to the possibility of the overthrow of the British power, in order that they may be able to re-establish the ancient system and the ancient rights?—No.

2306. On what basis do you think that the right of the ryot is fixed?—On this point I looked into the nature of the Mahomedan law, as applied to India, and found that it was that of conquest, which enables the conquerors to dispose of the conquered territory in different ways. It authorizes the conquerors to carry off the inhabitants, and to make them slaves; to bring in others in their stead, or to divide the territory amongst themselves, in which latter case a demand is made from each person who shares, being but a tithe. There are other modes; one of which is to let the original inhabitants remain on the conquered territory, paying a tribute called Khiraj, or revenue. The conduct adopted by the Mahomedans to India was of the last description, namely, that of permitting the conquered to remain on the soil, imposing upon them the khiraj. In the Mahomedan law the cultivator is called Rub-ool Uruz, which means "master or owner of the soil," and the property described to be in the cultivator, under the term Milik, meaning the most indefeasible right of property. The Emaum, or governor, in his instructions to his *agents* for settling with the cultivators for the khiraj (for no third claimant to the produce of the soil is ever mentioned), directs that he, the cultivator, shall retain of his produce enough for the subsistence of himself and family till the next harvest, with seed to sow again.

2307. Is this Mahomedan law so far recognized by the Hindoos that they feel that they could claim any rights that it gives them?—They have not brought it up, but it is part of the law, unaltered by any proceeding of Government.

2308. Would

12 April 1832.

Thomas Fortescue, Esq.

2308. Would the zemindar recognize the authority of this law?—The zemindar could not dispute it: the right of all persons by that law must be preserved till repealed or altered.

2309. After a zemindary has been sold, has not our government decreed that the auction-purchaser has an absolute full right to the land which he has purchased, and that all the subordinate rights of the land have merged in the rights which he has purchased?—I never can come to that conclusion from what I have seen.

2310. Have not our courts given decisions to establish that?—Our courts, it must be particularly noticed, have *always* been doubtful. They may have decreed so, but it certainly is not consistent with the intent of the regulations that they should, nor with the letter or spirit of the Minute by Lord Cornwallis, and the voluminous records of that period.

2311. To your knowledge, have any suggestions been made to the Court of Directors that those decisions are at variance with the law upon the subject?—I do not know that there have. There has always been a difficulty to know how to describe the ryots' rights; and yet referring to what I have just now said with regard to the Mahomedan law, a basis for determining their very lowest, though important rights, is given; the means, too, are accessible by local inquiry.

2312. The Committee have been informed that, whatever the theory and principle may be, practically the rights of the ryots have pretty much ceased in the Lower Provinces; is that so?—Yes; but not, however, by formal act of the Legislature. An unrestrained practice, convenient indeed, perhaps, has grown up at variance with principle; but that is no reason for perpetuating the injustice.

2313. Does it not appear to be an inevitable consequence of the regulations?—I do not see that it should have been, or continue to be; it was certainly not their principle. A person fairly studying the sense and spirit of the regulations, and knowing their object, could not say that it was competent to the courts to deny that the ryots had rights.

2314. Supposing that you make the zemindar responsible to the government, assuming a power of compulsion over him, and find it necessary also to communicate the same power of compulsion to him over the actual cultivator of the land, does it not constitute him to all intents and purposes their landholder?—No; I think not; the government itself could give no more than it had, that is, its entire interest, as far as it went, but no further; and the practice of all the preceding governments, whether under settlements by Ackbar, Toree, Meal or others, was that the arrangements for the revenue were formed with reference to ryots' rights. The term is constantly made use of, "Huq e reyaca," or "rights of the ryots." In the grants of former governments, declarations and stipulations are made to secure that "huq," or right; therefore if such terms are made use of, they must have had reference to some right.

2315. Was it not found necessary, after having made the zemindar responsible for the revenue derived from the district under his authority, to give him a power over the cultivators of that district which should enable him to secure to himself the revenue for which he was responsible?—The regulations and the practice of the country from time immemorial gave him authority to collect the government share of the produce, but always allowing the cultivator or owner of the soil to

reserve

12 April 1832.

Thomas Fortescue, Esq.

reserve thereof, in the first instance, that portion I have already described as requisite for his comfortable support and that of his family.

2316. The zemindar was to receive from that district an amount sufficient to pay a revenue to Government and to remunerate himself as the collector of that revenue; when you gave to that zemindar the power of compelling the cultivator to pay that proportion to him, including his own remuneration, and in order to enforce that payment enabled him to distrain upon the property of the cultivator, did you not place him essentially in the relation of proprietor of the land which that person cultivated, namely, you gave him the power of dispossessing the cultivator, because he failed to pay to him not only the rent of the Government, but that which was to be his remuneration for the collection of the tax, which might be considered in fact as a portion of the land?—I do not consider that the Government gave him any right, or implied any right in him to justify his dispossessing a ryot, who yielded up that proportion of his produce which was over and above what I have described. The zemindar could no doubt render himself liable for what he pleased to Government; but can it therefore be said that he became armed by law to desolate the country, by visiting his bad bargain, or senseless cupidity, on the ancient proprietors of the soil?

2317. In what way, if the zemindar is rich, and the cultivator is poor, can you, under the present system, enable the ryot to maintain his right against the zemindar?—He would be able to maintain it if there was a competent tribunal sufficiently near, or a commission to investigate locally. Supposing his right to be admitted, that is to say, from his cultivation, he was entitled to that which I have described; and again, the rates of the pergunnah being ascertained and fixed, they too would secure him.

2318. Have you ever had the means of forming an opinion of the number of zemindaries which have changed hands since the permanent settlement?—I am not able to speak to the number; I know that they have been very great in Bengal, and also that there were many in the Ceded Provinces, in consequence of the hasty introduction of the regulations.

2319. Are the regulations permanently established in the Ceded Provinces?—They are; they were introduced into the Ceded Provinces, if I recollect right, in 1803, and in 1804 into the Conquered Provinces. The regulations are the same as the Bengal Regulations, modified of course for those provinces.

2320. And that irrevocably so?—Exactly as the course of proceeding is in the Lower Provinces.

2321. Do you think that one in twelve of the zemindars of 1793 continue in possession of their zemindaries?—I would not like to hazard an opinion.

2322. Is the uncertainty and confusion which has arisen in that state of property, increased by the death of the proprietor, and by the division of the land among his numerous descendants?—Yes, it does very frequently create great disputes, for the landed property is so much in fictitious names, and so intangible, that difficulties constantly arise.

2323. What is the object of putting the land in fictitious names?—Very often a prejudice, to avoid the service of the court's and collector's processes, to preclude detection of those who hold property illegally, &c.

2324. Is

12 April 1832.

Thomas Fortescue, Esq.

2324. Is not the power of the collector very often set at nought by his difficulty in finding who is the person to be served with the process?—Yes, frequently; and the courts, too, I remember in my own experience, when, in the district of Dacca, instances in which there was no finding the land at all, so many fictitious names, transfers and butwars (or division of property), had been artfully contrived, that actually a purchaser, or attaching officer, when he went to seek for the land, could not find it. But much of this has been rectified since.

2325. Upon every transfer from possessor to possessor, do not the regulations require that there should be an entry made in the books of the district?—Yes, they do, but it is not much attended to.

2326. Is that generally neglected?—Yes.

2327. Are not the inconveniences arising from that every day increasing?—Yes; it was a point too, that, amongst others, during my residence in India, I referred to the Government, suggesting that the ancient native officers of the interior, as the cawzies and moofties, should have the power of registering deeds, transfers, and sales, which would preclude much of the inconvenience complained of.

2328. Where estates consist partly of poor land and partly of rich, is there not a means by which persons may fraudulently divide the assessment and sell a part, so as to throw a larger portion of the assessment upon the poor part of the estate than it will properly bear, and by selling that, retain the rich portion very lightly assessed?—Formerly that was the case, and particularly in the district of Dacca, to which I have alluded; a great deal of excellent land was withdrawn from the public rental, but subsequent regulations have prevented it; formerly butwars (or divisions of estates) could be made without being reversed by the collector; but it is otherwise now.

2329. You told the Committee some time since that you considered that the cultivators in the Upper Provinces with which you were acquainted, were in a better condition than the cultivators in the Bengal Provinces?—I did.

2330. Is it not a fact that the inhabitants of those Upper Provinces have of late expressed a strong desire for the introduction of the permanent settlement?—Individuals who understand the advantage of our permanent settlement in the Lower Provinces are desirous of it, but I do not think that the generality of the old resident inhabitants of the Upper Provinces are particularly eager about it; they are told of advantages to be derived from it, but I do not think that they are the people who make the greatest stir.

2331. In those districts to which your remark related, with respect to the condition of the cultivator, do you conceive that it is the fact, or otherwise, that there prevails a wish among that class of persons for the introduction of the permanent settlement?—I do not. With regard to some there is a dislike to the notion, from fear of its affecting their local interests; others, again, are desirous of it.

2332. Have there not been of late years representations made to Government of the expediency of introducing the permanent settlement?—I would not say very generally; there were individuals; but, as I think, chiefly instigated by persons coming from the old provinces, of whom there have been a great many in several of the districts, urging on the fulfilment of the original declaration.

2333. Your

2333. Your opinion, then, is that the persons who have pressed for that settlement are persons who are not fully aware of the operation of the permanent settlement?—I think those who have pressed for it are not mainly the original inhabitants of the Upper Provinces themselves; they were people who had come themselves, or sent their agents there, knowing the benefit of the permanent settlement, and anxious to get it introduced.

2334. When you speak of knowing the advantages of the permanent settlement in Bengal, what are the advantages which those persons conceive they would derive from its introduction into the Upper Provinces?—All the practical influence and authority in the districts given to persons with whom the permanent settlement is made.

2335. Then you conceive that the persons who have made those representations are a class which would have entitled them to be regarded as landholders?—I am talking of the persons who are considered as the zemindars of the village, because they engage as such.

2336. Are the Committee to understand that your opinion is, that that wish is confined to the persons who hold the station of zemindars?—Chiefly.

2337. And that the actual cultivators under the zemindars would not be very desirous of its introduction?—I do not think that the cultivators under the zemindars think about it, generally speaking.

2338. Have there or have there not been violent popular disturbances arising from the supposed breach of the promise on the part of the Government of the introduction of the permanent settlement?—There have been disturbances, and I believe connected with that.

2339. Does it or does it not indicate a popular feeling upon the subject?—No, I do not think it does; and I believe, generally speaking, that the ryots know little or nothing about it.

2340. Do you conceive that those disturbances were instigated by persons who were interested in the introduction of the permanent settlement?—Yes, I was inclined to think so; but there were also other causes.

WILLIAM HENRY TRANT, Esq. called in and further examined.

Wm. Henry Trant, Esq.

2341. You were asked, on your last examination, whether nine-tenths of the zemindaries had not been put up to public sale, and the ancient zemindars been deprived of their possessions by this process?—I would say that nine-tenths of the lands have been advertised; there is a great difference between being advertised and being put up to sale. The practice in Bengal, especially in the Lower Provinces, has been to advertise for sale the estates which may be in balance at the exact time when the instalment becomes due, and it becomes quite a matter of course with the zemindars, in most instances, not to discharge their instalments punctually; the estates are advertised for sale; and I recollect very well, when Secretary for the Board of Revenue, observing that an abstract of sales, which was drawn up for the Government, for the purpose of being sent to the Court of Directors, was so framed as to give an idea that all the estates mentioned had been put up to sale; whereas perhaps not one of the estates where advertisements had been

12 April 1832.

Wm. Henry Trant, Esq.

been issued were put up to sale; and I am particularly anxious to make this statement to the Committee, because I have observed in recent publications this assumed as a proof of the destruction of private rights and of property which has been entailed upon the country by the operation of the regulations; and I would also say, that my experience proved to me that in some cases where estates were actually sold, they were sold not so much from any want of means in the persons who were under engagements to fulfil those engagements, but because the sale at the office of the Board of Revenue, at which they were sold (my own office), was considered as the most advantageous mode of disposing of the property.

2342. Subject to that explanation, what proportion of the zemindaries should you think have been actually sold since the permanent settlement?—It would be impossible to answer that with any degree of precision. Certainly within the first few years after the introduction of the permanent settlement there were a great many sales; but for a good many years during the time of which I have experience of revenue affairs, the sales were but few; and I should say, within that period, that the transfer of property was not greater than that which takes place in this country from various circumstances; not so great, I should say.

2343. It appears from different documents to which the Committee have access, that an opinion generally prevails, that a very large proportion of the zemindaries have actually been sold since the permanent settlement of 1793; can you give the Committee any reason for doubting the truth of this statement?—Yes; the grounds of that doubt are chiefly those which I have stated, that persons have assumed that because the advertisements of sales are very numerous, therefore the actual sales are proportionate.

2344. The statements to which the question alludes are statements of actual sales, and not of advertisements for sales; do you doubt that to a very great extent actual sales and transfers have taken place since the permanent settlement?—No, I should say that my own experience, which was pretty considerable, as secretary of the Board of Revenue in Calcutta, and afterwards as a member of that Board, does not lead to that conclusion, that the transfers are very numerous, considering the great extent of country.

2345. You speak only to the period of time during which you yourself were connected with the Revenue department?—Yes; nor should I say, from the means I have of judging of the records of Government from the time of the introduction of the permanent settlement, that the sales have been at all so numerous as is supposed by a great many individuals.

2346. Do you doubt that one-half of the zemindaries have been sold?—No, I should say not.

2347. Have you any documents, to which the Committee can have access, that would give accurate information upon that point?—I doubt whether it would be easy to find in this country documents which would be satisfactory in that respect, for the reason I have stated, that there was no sufficient distinction made between the cases of estates advertised for sale and those actually sold, up to the time that I was secretary to the Board of Revenue; as far as I remember, I made a correction in the modes of return, which I suppose has been continued.

2348. Is

12 April 1832.

Wm. Henry Trant, Esq.

2348. Is there any power in the collector of the revenue, which gives him the authority of a magistrate, which, in your opinion, is likely to be either beneficial or injurious to the community?—I think the power which, before I left India, the Government had in a few instances conferred upon collectors, if at all extended, is likely to lead to very prejudicial consequences; it is likely, I think, to debar the natives from that protection against undue exactions and illegal treatment by the revenue officers which they have, and which they avail themselves of in many instances, to my knowledge, with effect. According to my observation of certain individuals who exercised the powers of collectors, there was some difficulty in restraining them even under the powers vested in the magistrates, and those powers ceasing, and the criminal jurisdiction being vested in such individuals as collectors, I have no doubt would have been used to the great oppression of the people.

Sabbati, 14° *die Aprilis*, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

ALEXANDER DUNCAN CAMPBELL, Esq. called in and examined.

14 April 1832.

A. D. Campbell, Esq.

2349. WHEN did you return from the East-Indies?—I left Madras in February 1831.

2350. How long were you there?—I have been upwards of 22 years in India.

2351. Were you always in the Madras presidency?—I was always employed under the presidency of Madras; I have occasionally visited Bengal, but not on duty.

2352. What situations have you held in the Madras presidency?—I have been employed principally in the Revenue department. I was 12 years in the Board of Revenue, in which I rose from Assistant to be Secretary to the Board. In 1820 I was appointed Collector and Magistrate of Bellary, one of the divisions of the Ceded Districts, where I remained four years. In 1824 I was nominated Judge of the Provincial Court of Circuit and Appeal, in the centre division. In 1826 I was appointed a member of the Board of Revenue, when I accompanied Sir T. Munro on his tour through the southern provinces, and I was selected in 1827 from that Board to introduce Sir Thomas Munro's system of ryotwar field assessments into the Tanjore district; whence, in 1828, I was removed by his successor to my former appointment of Judge of Circuit, which I relinquished in 1828 for the situation of Registrar to the Sudder and Foujdary Adawlut at Madras, to which, in 1829, was added the situation of Teloogoo Translator to the Government.

2353. Have the goodness to describe generally to the Committee the footing upon which the system for collecting the land revenue of the Madras presidency was placed at the time you were first conversant with it?—The land revenues of Madras,

14 April 1832.

A. D. Campbell, Esq.

Madras, in 1808, when I arrived in India, were realized from zemindars in the Northern Circars, the Company's Jaghire, a great part of the Salem district, the Tinnevelly, Ramnad, Shevagunga, Bomrauz, Vencatagherry and Calastry Pallams, all settled on what is called Lord Cornwallis's permanent system. In the Carnatic and Ceded Districts, Madura, Dindegul, Tinnevelly, Tanjore, and Trichinopoly, the revenue from the land began to be collected about this time from the holders of the village leases, then recently introduced, or about to be introduced, for they were not established in all these provinces simultaneously. These village leases superseded the system of realizing the government dues from each individual occupant of the land, on what is termed the ryotwar field assessment, which had just been abandoned, and which was retained in the provinces of Malabar and Canara alone, on the western coast of the Peninsula, in consequence of each landholder there residing on his own estate, and the people not congregating into villages, as on the eastern Coromandel coast, where the village leases were introduced.

2354. To what period of time do you now allude?—1808.

2355. Describe to the Committee in what state the collection of the land revenue was, practically, before the establishment of the zemindary system in the districts in which it was established by the directions of Lord Cornwallis?—In that part of the Salem district into which it was introduced, the ryotwar field assessment had been in operation; and in the Company's Jaghire, a set of middle-men contracted for the government dues from a whole cluster of villages on short periodical leases. But by far the greater part of the territories under the Madras government, settled in perpetuity on the zemindary system, consisted of the Northern Circars, in which the collection of the land revenue had, for a very long series of years, become vested in the descendants of the ancient rulers or rajahs of the country, or in the descendants of the principal officers of the Hindoo dynasties which preceded our Government, under the denomination of deshmooks, deshpondiahs and poligars, the three principal of whom, near Madras, had been created by the Emperors of Delhi commanders of 5,000 horse. The Government came to periodical settlements with those zemindars for the land revenue, very much on the same system that they now do under the permanent settlement of Lord Cornwallis, except that the demand of the State was not then fixed in perpetuity as it is now. Throughout the whole of the Northern Circars there were also what were termed havelee lands, or lands in which the government rights had not been alienated to zemindars, but retained under the immediate management of the government officers; and in these lands the Government realized their revenue chiefly through renters, to whom they leased out the privilege of collecting the government dues for periods of years.

2356. Were those havelee lands extensive?—Not in proportion to the zemindary lands; but they were, in some districts, considerable in value. I think chiefly in the Masulipatam district.

2357. What lands were included in the zemindary settlement besides the Northern Circars?—The permanent zemindary settlement, after it was concluded in the Northern Circars, and the Pallams, with the persons I have described, who may be considered to represent the ancient aristocracy of that part of India, was introduced into the havelee lands and also into the Company's Jaghire, or the district immediately round Madras, held by them from the Nabob of Arcot, and likewise into the

the Salem district. But as the government dues had, in these lands, never been alienated to any hereditary class, but were realized either directly from the hereditary occupants, or from temporary middlemen, we have newly created a set of hereditary receivers of the government dues, perfectly distinct from the ancient hereditary aristocracy of the country. Those new men were subsequently distinguished by the appellation of Mootahdars, and were created by putting up a cluster of villages, termed a mootah or zemindary, to sale by public auction. The highest bidder became the new hereditary zemindar, the government revenue having been previously fixed in perpetuity, not upon each field, nor upon each village, but on the whole mootah or zemindary.

2358. In the Northern Circars, where the zemindars appear to have been on a more settled footing than in the district round Madras, which you call the Company's Jaghire, was the zemindar removeable under any circumstances by the Government, supposing the rent ran into arrear?—The government preceding ours was an arbitrary government; but scarcely in any case of the ancient hereditary zemindars did they ever venture to remove the family from the zemindary. In case of arrears they may have assumed the temporary management of a district until the arrears were liquidated; but I do not think that in any case, except for open rebellion, either the government which preceded us, or ourselves, ever removed the ancient hereditary zemindary families.

2359. Is the Northern Circars a mountainous district?—It is a mountainous district in general, particularly the northern parts, as Ganjam; and a little way from the coast, throughout the Northern Circars, they are hilly. The ancient zemindars there are more on the footing of the old Scotch chieftains than any other description of persons in this country. There is a strong hereditary attachment on the part of the occupants of land to the family of their noble chiefs, a race of remarkably fine men.

2360. Have the Company's officers ever interfered much in the detailed management of the collection of the revenue in the Northern Circars, under any system?—Not in the ancient zemindary lands: they have in the havelee lands. I should add, that a committee of circuit was appointed to ascertain the resources of the different ancient zemindaries previous to the permanent settlement, but the result of their inquiries was necessarily vague.

2361. Previous to the permanent settlement were not the zemindars also in some sort police officers and magistrates; had not they the power and the means of compelling persons to make the payments which they demanded, and had they not also the power of deciding disputes by summary administration of justice?—The zemindars must always have had the power and means of compelling the peasantry to pay the established dues of Government; but any extensive arbitrary demand on their part would have organized resistance against them. I should rather think that previous to the permanent settlement few civil disputes or criminal offences ever came before the European officers of our government; and that the zemindars generally must have exercised a loose police jurisdiction throughout their districts, but I do not think there were any established tribunals for the decision of civil suits. In the Pallams, the poligars were originally police-officers of the Telinga princes, controlling their southern conquests in the Tamil country.

2362. Do

14 April 1832

A. D. Campbell, Esq.

2362. Do you know at all in what mode the zemindars actually managed the collection of the revenue; did they employ local officers, did they obtain accurate knowledge of the extent of cultivated land, and did they go into much detailed examination as to the nature of the produce on the land of each particular occupier, or was the whole thing done arbitrarily?—There is only one mode of realizing the land revenue in India, namely, collecting it from each individual occupant of the land; but whether the ancient hereditary zemindars entered into this detail, or deputed this duty, and the detailed inquiries incident on it, to the village officers, to their own hired servants, or to contractors or middlemen for one or more villages, during each year, or for a term of years, no one knows, because we never interfered much with them. The system now pursued by them I apprehend is nearly the same pursued in former times, except that we now require them, by our regulations, to enter into written agreements with the renters of the government dues, or with the actual occupants of land under them. These, in former periods, were more loosely framed than they are at present, being often verbal and dependant on the common law or local custom; but throughout India the people well know what is the proper due of Government, what arbitrary exaction. It is to be regretted that we have not everywhere ascertained and recorded their knowledge, especially as in the Madras territories we have ample village accounts.

2363. Do you prescribe the conditions of the agreement which you compel them to enter into with the cultivators?—Our regulations do not prescribe the *amount* (say 40 *l.*) which the zemindar shall realize from his under-farmers, tenants, or ryots, but they limit his *rates* to a maximum (say 2 *l.*, or 6 bushels per acre, or 40 per cent. of the produce), to be entered in written agreements, which they require to be interchanged between the zemindar and those under him. These agreements may be for a division of the produce, for a money-rent, or for a rent in kind. But "where disputes arise respecting the rates of assessment in money, or of division of the produce in kind," section 9, Regulation XXX. of 1802, in the Madras code, declares, that they "shall be determined according to the rates prevailing in the cultivated lands in the year preceding the assessment of the permanent jumma* on such lands, or where those rates may not be ascertainable, according to the rates established for lands of the same description and quality as those respecting which the dispute may arise." The village accounts in the Madras territories enable us to ascertain these rates better than where no such records exist.

* The zemindar's fixed tribute to Government.

2364. Do you believe that that regulation has any extensive practical operation?—I have decided cases in the Court of Appeal upon that regulation; and though written agreements are still in many cases not exchanged, especially in the Northern Circars, where reciprocal attachment between the people and their chieftains renders them often unnecessary, yet the very knowledge of this regulation, on the part both of the zemindars and the ryots, has a great effect in practically preventing over-assessment, or anything in addition to the rates above-mentioned. In numerous zemindaries, particularly in the neighbourhood of Madras and in Salem, where the zemindars were newly created by ourselves, the regulation in question is strictly observed, and the files of the courts were loaded with suits of this description. Since the enactment of that regulation in 1802, the Government, in 1822, rendered suits summarily cognizable under it by the zillah courts, cognizable only

14 April 183_.

A. D. Campbell Esq

only by collectors; but from a great mistake in the framer of this new regulation of 1822, regarding the nature of the particular suits summarily cognizable under the enactment of 1802, great difficulty has been experienced in acting upon the new regulation of 1822; and when I left India a new regulation was framing to give effect to the intentions of the home government, under which Regulation V. of 1822 was framed. I myself was a party to a discussion on that subject, in which the Court of Sudder Adawlut coincided with me in the great importance of upholding the principles of Regulation XXX. of 1802; and the Board of Revenue, under a most mistaken view of the subject, were inclined to oppose them, on the ground that in many parts of the Northern Circars it had become a dead letter. What the ryots themselves, in all the zemindary districts, consider their *magna charta*, should never be allowed to fall into disuse.

2365. What led the government to enact Regulation IV. of 1822 in the Madras code?—The object of that law was to declare, that the previous enactments of the government in 1802, fixing in perpetuity the tribute payable by the zemindars, and limiting to the rates above-mentioned their demands on the inferior peasantry for the *public* dues, were not to be construed as interfering with any *private* rights existing in the land. The Government could transfer to others nothing but their own *public* right to revenue from the land; and whether they give this to a jaghiredar free from all tribute, to a shotriumdar liable to a small tribute, or to a zemindar on a tribute fixed in perpetuity, (calculated at 90 per cent. of the public dues from the lands *then* under cultivation, but which may not be more than 30 per cent. of that realized from the entire lands *now* under the plough,) they had no intention nor power to interfere with the distinct *private* rights existing in the soil These, under the Madras Presidency, are manifold, consisting chiefly of the hereditary rights of the slaves; the hereditary rights of the labourer, and the hereditary rights of the master of the land, or ryot; often saleable at many years purchase. But from Englishmen not distinguishing any *proprietor* except one, and from that unhappy word having been employed in the enactments of 1802 to designate the holder of the *public* right transferred to the zemindars, some of our tribunals confounded it with the *private* rights in the soil, from which it is distinct, though both are concomitant in the lands of India.

2366. Have you reason to believe that the private rights which existed in the Northern Circars before the permanent settlement have been practically interfered with, or do you think they are still retained by the persons who ought to possess them?—I have no doubt that, in general, the most valuable private property in the land has descended without injury in far the greater number of the families of the cultivators. There may be instances of an oppressive zemindar interfering with those rights, and of the ryots being backward to assert their rights in court; but those are the exceptions to the rule, and the actual result has been the preservation of private rights by our laws.

2367. Are the inhabitants of the Northern Circars a bolder and a hardier people than the Hindoos of Bengal?—I consider the inhabitants of the Northern Circars far the finest class of men, both in appearance and in private character, of any of the natives of India with whom I am acquainted. They are infinitely superior to the

14 April 1832.

A. D. Campbell, Esq.

the natives of Bengal Proper, and assimilate to those in the Western Provinces under the Supreme Government.

2368. At the time of the permanent settlement were the zillah courts established in the Northern Circars on the same footing they were in the other districts?—The introduction of zillah courts into the Northern Circars took place about the same time as the introduction of the permanent settlement.

2369. Did they immediately become crowded with business?—I should say that they all had a great deal of business; but not having been in India at the period when they were first established, I speak more from subsequent inquiry than any personal knowledge.

2370. During the time you were acquainted with that district were those courts extremely crowded with business?—I should say, from my inquiries in the Court of Sudder Adawlut, that the courts were speedily occupied by suits, as soon as they were established; indeed fully occupied in nearly all the districts.

2371. Suppose zillah courts had been established in these districts before any permanent settlement had been made, under the system which preceded it would they have been as much occupied with business?—I am inclined to think that the regulations promulgated in 1802, at the period of the permanent zemindary settlement, had rather a tendency to create new suits, not from the government limiting in perpetuity the tribute payable by the ancient aristocracy, or their newly created *parvenus*, but because we then, for the first time, introduced regular tribunals, and gave to the peasantry new means to assert and preserve their rights, which previously were held more by sufferance and local custom, or common law, but were now recognized by what may be considered the statute law of India.

2372. Are any of the zemindaries in the Northern Circars of considerable extent? —Some of them are very considerable.

2373. Are they very unequal in size?—They are unequal. The largest zemindaries are those belonging to the ancient hereditary chieftains. Some of the smaller zemindaries consist principally of what were the havelee lands; but generally, I should say, that the zemindaries are considerable in extent in the Northern Circars. In some of the Pallams they are very large.

2374. Do you happen to know the largest amount of revenue paid by any one zemindar?—I do not recollect, but I should think that under the Madras presidency there are few zemindars who pay upwards of three lacs of rupees per annum. It would be a high tribute.

2375. Are the zemindars resident, or do they leave the management of their districts to subordinate officers, and live themselves elsewhere?—I should say that at present there is hardly a single zemindar in the Madras territory who does not reside permanently on his estate, and that none of them were ever resident elsewhere, except a few of those *parvenus* whom we created in the Jaghire, in the neighbourhood of the presidency.

2376. Have many of those zemindaries been either put up to sale, or actually sold, on account of the rent being suffered to run into arrear?—The zemindaries in the Company's Jaghire were reduced in 1826 to 651 villages, paying a fixed jumma of two lacs, 97,940 rupees, the principal lands having reverted to Government, to the

14 April 1832.

A. D. Campbell, Esq

the extent of 1,217 villages, paying a revenue of four lacs, 88,960 rupees, in that year. This arose from the Government purchasing in the zemindaries that fell in arrear. The same, to a considerable extent, has been the result in the Salem district. I ought to have mentioned, that the zemindary settlement was introduced also into the Dindigul district in 1804-5, but it entirely failed in consequence of gross over-assessment; and the whole of the lands, with scarcely any exception, reverted to the Government in the course of 1806-7.

2377. When you say, on referring to the document you have in your hand, that 651 villages still remain under the zemindary settlement, and that 1,217 have reverted to the Government, to which district do you allude?—The whole of those villages comprise the 1,866 villages of which the Company's Jaghire consists, now known by the name of the Chingleput Zillah.

2378. With respect to the Northern Circars, can you inform the Committee whether any considerable number of the zemindaries in that district have been sold in consequence of the rent having run into arrear?—In consequence of the tribute falling in arrear, a few of the havelee lands, I think, have reverted to the Government, and there have been instances in which some of the more highly assessed ancient zemindaries have been sold for arrears; but they were purchased by other persons, at high prices, and the Government did not therefore buy them. In some rare cases, those sales gave rise to the most serious rebellions, and the Government found it necessary, by private arrangements, to obtain them back from the purchasers, and restore them to the ancient families.

2379. Have the goodness to explain the circumstances connected with those sales which were so unsatisfactory to the inhabitants of those districts?—I allude particularly to sales in the Ganjam district, connected I think with the Kimdee family, and which were purchased by a branch of the family of Singanachitty at Madras.

2380. What was there in that purchase to make it so objectionable to the persons connected with the territory?—The total aversion of the hill people to any but their own ancient hereditary zemindars. It led to a most serious rebellion, and the Government were obliged to despatch one of their most distinguished officers, who by negociation, rather than by the use of the troops, succeeded in restoring the zemindary to the family, and quelling the disturbance. A most able report was made upon this subject by Mr. William Thackeray, which has been printed in the Indian Selections. It has of late years been considered a great object for the government to obtain repossession of the old havelee lands, with the view of counteracting the local influence of the hill chieftains in the Northern Circars.

2381. Was the assessment on the hill lands in the Northern Circars a moderate one?—Very generally a moderate assessment, especially in the hill districts; and in a few of the more remote Ganjam zemindaries nearly a nominal tribute.

2382. It would appear, from the account you have given, that those persons were in the situation of petty sovereigns, paying a small fixed tribute?—Yes; the hill zemindars still occasionally hold the Government quite at bay, from the nature of the climate being deadly to the inhabitants of the plains, and the difficulties consequently attending the employment of troops in those districts. They are, in fact, very independent in their own country, and look upon the Government as the old Scotch chiefs did upon the earlier kings of Scotland.

2383. Do

14 April 1832.

A. D. Campbell, Esq.

2383. Do they pay their revenue with much regularity, and without hesitation?—With great regularity, of late years particularly. A few of the great families have occasionally fallen into difficulties, which have led the Government, under instructions from the authorities at home, to assume charge of the country, until its resources recovered, without putting the zemindaries up to sale. The Government, in some cases, have come forward with large funds, especially in the case of the zemindar of Vizianagrum, paying off his debts to the extent of many lacs of rupees, and recovering the amount gradually, in addition to their own tribute, from the management of the country, through the collector. On the liquidation of the whole, the lands were restored to the management of the zemindar.

2384. With respect to zemindaries where the rent is regularly paid, is there much communication between the Government and the chiefs?—Hardly any communication.

2385. Is there anything in the nature of disagreement and discontent shown on the part of those chieftains under those circumstances?—The conduct of the zemindars in general is decidedly that of docile subjects of the British Government. There are very few exceptions. It is only when *parvenus* are introduced into the country of the ancient aristocratic zemindars that any hostile feeling is exhibited on the part of the people.

2386. Have you reason to believe that the rent collected by many of those zemindars from the ryots greatly exceeds the amount they pay to the Government, and that they are themselves in the situation of very wealthy proprietors?—Most of the ancient aristocratic zemindars are in easy circumstances, and some of them are wealthy men. I have, as a member of the Board of Revenue, acting in the capacity of court of wards for minor zemindars, known of surplus funds in some zemindaries to the extent of four or five lacs of rupees. Similar accumulations occur in zemindaries contested in our courts; and generally all persons of that description expend a great deal of money in celebrating marriages or festivals, and in keeping up the usual establishments of the family, such as elephants, horses and alms-houses.

2387. Do they supply themselves with military?—They have a number of armed men, some of them clothed like our sepoys, by way of attendants.

2388. Are the Committee right in believing that according to the Hindoo law of descent, a person cannot make a will, but that his property is divided among his descendants?—The Madras government, by the enactment contained in Regulation V. of 1829, declared it incompetent for a Hindoo to make a will contrary to the Hindoo law, thereby meaning that certain testamentary provisions may legally be made by a Hindoo previous to his death; such, for instance, as empowering his widow to adopt a son; but that it is not competent to a Hindoo to dispose of his property generally by will, the law having already disposed of it for him.

2389. In what way does the Hindoo law dispose of a man's estate?—A Hindoo has more power over self-acquired property than over that inherited from his ancestors, particularly if it be real property. Ancestral landed property descends to the sons, and in particular cases, termed *raj*, to the eldest son. Considerable doubt exists whether a man, having sons alive, is competent even to dispose by sale of his ancestral landed property, the Hindoo law recognising the right of the son in the ancestral

ancestral land, concomitant with his birth, in some degree similar to our law of entail. I do not, of course, speak of any but the general Hindoo law. On the western coast the anomaly exists of the Hindoo being succeeded by his sister's son, to the entire exclusion of his own children.

2390. Do the daughters take any share?— Not if there are sons. A daughter who marries, thenceforward claims from the family into which she is admitted. If unmarried, she is merely entitled to maintenance and nuptials.

2391. With reference to the Madras Presidency, are there many of those estates which you describe as rajs, which are confined to the eldest son?—Many zemindars inherit the title of rajah without their zemindary being raj. What constitutes that right is so undefined, that, under the Madras Presidency, our courts I think would be inclined to follow local custom, and to decide against the property being raj, on the general principles of the Hindoo law, requiring those who state the contrary to prove that it has descended to one son to the exclusion of others; that being the exception to the general Hindoo law. In fact I recollect a case so decided by the Sudder Adawlut at Madras. But it is exceedingly dangerous to lay down any general rule in this respect. On the western coast, what is well defined raj descends to several distinct branches of the same house, who succeed each other in a mode peculiar to that coast, quite opposed to the general Hindoo law of the rest of our territories.

2392. With respect to the zemindaries in the Northern Circars, are any of them termed rajs?—I rather think there are some zemindars who, if required to prove, might succeed in proof of that description; but the case has seldom come before our courts.

2393. Speaking generally, do the zemindaries upon the death of the holders descend to the sons, and are they divided in equal shares between them?—Practically, few of the ancient aristocratic zemindaries have been divided; but where claims of brothers have come forward, the decisions of our courts, on failure to prove the raj, have been in favour of a division. But the party in possession has generally appealed to England, and left the matter thereby unsettled, for there has been only one appeal from Madras ever decided in this country. In some cases, where brothers feel that they have claims, they may have come to an arrangement among themselves, leaving the senior to manage the property for their common benefit.

2394. What happened in the case of the Nozeed family?—The Nozeed zemindary was held by Apparow; and, on his death, was divided by our government, on the permanent zemindary tenure, between two of his sons, to the exclusion of a third, then a minor, who has since claimed a portion of the country. Our courts at first were favourable to the justice of this claim, but their ultimate decision was, that the permanent grant issued to the two brothers by Government, at the period of the permanent zemindary settlement, barred them from any investigation into the rights of the third brother. Regulation IV. 1829, was then enacted by the Madras government, annulling the sunnuds in question, on the ground that the Government in 1802 directed the settlement to be formed with the family of Apparow generally, and that, by some mistake or oversight of the third brother, it had been made with the other two, to his exclusion. That proceeding of the Madras government

14 April 1832.

A. D. Campbell, Esq.

ment was disapproved of by the Supreme Government, who thought that annulling the original sunnud was calculated to shake the confidence of the people in the permanency of the zemindary settlement. The operation of that regulation was in consequence suspended, and I understand that its enactment has been disapproved by the authorities at home.

2395. Has the permanent settlement already led to the division of zemindaries, or in your opinion is it likely to do so?—Except in the peculiar cases of the raj, the general Hindoo law is likely to be followed by our courts; and that law, rather than any thing involved in the permanent zemindary settlement, is likely to lead to a division of zemindaries. Under section 10, Regulation XXV. in 1802, of the Madras code, no separate estate could be formed of which the assessment should be lower than 500 pagodas per annum; but this restriction was modified by Regulation I. 1819, declaring that the minimum of division should be one village, with defined boundaries.

2396. In what way is it proposed to carry that regulation into effect: when a zemindar is possessed of one village, and he dies leaving two sons, will the court rule arbitrarily, in defiance of the principles of Hindoo law, that one son only shall possess all the privileges of the zemindary, to the exclusion of all others; or will the claim, as founded upon the Hindoo law, in any way be permitted to prevail, and will a distinction take place between the duties of the zemindar as officer, and his property as a landowner?—To view the zemindars as separate from the zemindary property would lead to erroneous conclusions. To treat them now as officers of the Government would be still more erroneous. The ancestors only of some of them were so perhaps several centuries ago; and the whole of them, in these days, on condition of paying a fixed tribute, hold hereditary possession of all the government or *public* rights in the land of the zemindary districts, which, in most cases, have become as valuable as the other concomitant *private* rights involved in it, if not more so In the case supposed, the zemindary would remain undivided, assessed at its amount in the revenue books, but the courts would cause it to be registered in the joint names of all the brothers; the limit to subdivision in our regulations regarding the tribute only payable to Government, and not the rights of the individuals liable to pay that tribute. An endeavour was made by Sir Thomas Munro, during his government, to induce the principal aristocratic zemindars in the Northern Circars to consent to an arrangement similar to entail in this country. The collectors were called upon to communicate to them the object of the Government, which was to prevent the breaking up of the great families of that country, and to preserve the aristocracy entire, the Government being averse to legislate on such a subject without the consent of the parties more immediately affected by it. The consequence was great alarm on the part of all the heads of the zemindary families in the Northern Circars, and an aversion to commit themselves in writing, so as to deprive themselves, as the arrangement in question contemplated, of the power that they now possess, under section 8, Regulation XXV. 1802, to dispose of their zemindaries during their lifetime, subject to the general provisions of the Hindoo law. But I apprehend that a general feeling would exist in favour of such a measure, on the part of those zemindars, if accompanied with the power of mortgaging or disposing of their lands during their lifetime.

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2397. Since the establishment of the permanent settlement, has the condition of the cultivators, or the wealth of the proprietors, in the Northern Circars, improved?—I cannot speak from personal experience upon that subject.

2398. Do you think much increase of population has taken place in those districts?—No regular census has ever been taken of those districts; but my impression generally is that the districts have improved.

2399. Do you think much land has been brought into cultivation?—I think a considerable extent of waste land has been brought into cultivation.

2400. According to the statement you have made, it would appear that the effects of the permanent settlement have been very different in different parts of the Madras territories in which it was established: your evidence has related principally to the Northern Circars; will you have the goodness to explain to the Committee the particular circumstances which led to the failure of the system in the other parts of the district subjected to it?—The great cause of the failure of the permanent zemindary settlement in those districts in which we newly created zemindars, was no doubt over-assessment, especially in Dindigul and the Jaghire, but less so in Salem, where the zemindaries have stood better. Another cause was the want of all connection between the peasantry and the parties who made the purchases, who were in general unfit for the agricultural duties devolving on zemindars. They were chiefly monied men, or speculators, who merely wished to raise themselves to a level with the nobility or ancient rajahs of the country, by purchasing a right similar to theirs. The head of one of the most opulent families at Madras, Chinniah Moodely, was induced, I believe partly by the opinion of the European revenue officers of the government in favour of the system, to speculate largely in such purchases. But he and all others who engaged in similar speculations gradually failed, partly from their own unfitness for the duty, but chiefly from over-assessment, and their families have been involved in much consequent distress.

2401. How long did the Company persevere in the attempt to establish the permanent settlement in those districts?—In Dindigul it failed very speedily; I think in the second year after it was established. In the Jaghire and in Salem, the zemindaries lapsed annually to Government by sales on account of arrears of tribute.

2402. Was much distress and difficulty produced by the operation of the regulations for carrying into effect the permanent settlement?—I think the ryots in many parts of the three districts above mentioned, where we newly created zemindars, laboured at first under considerable oppression from the overbearing disposition of these *parvenus*, but they gradually diminished in number, and ultimately the ryots vindicated their own rights in the courts, by prosecuting many of the remaining zemindars. In the Salem and Chingleput districts, where the remaining portion of our newly-created zemindars still exist, the complaint I think is now on the part of the zemindars against the ryots, rather than on the part of the ryots against them.

2403. In what proportion of those districts to which you have last alluded does the permanent zemindary settlement still prevail?—I should estimate it at one third in the Jaghire or Chingleput district, at rather more in Salem, but in Dindigul as not a tenth part.

2404. What

14 April 1832.

A. D. Campbell, Esq.

2404. What system was resorted to in those districts in which the permanent zemindary settlement was necessarily abandoned?—On our first obtaining possession of the ceded districts of Bellary and Cuddapa, about the year 1800, a survey and field assessment of the country was introduced there by Sir Thomas Munro, on the principle previously adopted in the Baramahl and Salem districts by Colonel Read, whose assistant he was. Similar surveys and field assessments were afterwards introduced into the Carnatic, consisting of the two divisions of Arcot and Nellore, also into the provinces of Coimbatore, Madura, and Dindigul; and under those surveys, as well as in the districts of Canara and Malabar, where no surveys took place, annual settlements for the government revenue of the lands actually occupied were made with the occupants individually, on what is termed the ryotwar system. But under a mistaken idea that this system entered too much into detail to be compatible with the judicial tribunals established in 1802, it was abandoned about 1808, when I arrived in India, and the right to collect the government revenue for the period of ten years was then rented out to the ryots of each village, or to such of them as would agree thereto, on a lease, stipulating for a money payment to Government, fixed on each entire village, including both arable and waste. With the exception of Malabar and Canara, which continued to be settled ryotwar, this village lease was gradually extended to the whole of the provinces above mentioned, and also to Trichinopoly, Tinnevelly, and Tanjore.

2405. How was that village system found to work?—It operated variously in various districts. In a few, where the decennial rent was least excessive, for it was high in all, and the greater number of the ryots of the village entered into the lease with the collector, its effect was more favourable than in others; but, generally, the result was that a few only of the villagers entered into the lease, and thus stood as temporary middle-men between the Government and the rest of the peasantry. The inferior ryots were shut out from all immediate communication with the government officers, oppressed by their more powerful brethren the renters, who in good seasons pocketed all the profits, and in bad cast upon them, by extra assessments, or saddling them with waste land, the greater burden of the leases; so that at the expiration of the ten years the villages generally returned into the hands of Government in a lamentable state of impoverishment, and in some districts, particularly in Bellary, in a state, as described by Mr. Chaplin and Mr. Thackeray, of absolute "bankruptcy."

2406. It would appear by the account you have given, that this system did little more than create a temporary village zemindar, whose object must naturally be to realize as much money during the existence of his lease as he could obtain from the cultivators; was that practically the operation of this system?—The intention of the system was to include, if possible, the whole of the ryots; but practically, most of them having declined the lease, its operation I fear was that stated in the question.

2407. Have those village leases altogether ceased?—Entirely.

2408. What system has since been adopted?—The Government, on the expiration of the village leases, have generally reverted to the ryotwar mode of settlement which preceded them, but under considerable modifications, and with great reductions of the original assessment in many districts. In the southern division of Coimbatore,

Coimbatore, the original survey field assessments have been reduced 37 per cent.; in the Ceded Districts, 33 on well, and 25 on other lands; and 12½ per cent. in North Arcot; and I recommended reductions in Dindigul, when I accompanied Sir T. Munro on his southern tour.

2409. Is what is usually called the ryotwar system uniform in its effect and operation, or is it different in different districts?—The great principle of the ryotwar system consists in annexing an assessment in money to each field, cultivated or waste, of the country, and coming to a settlement annually with each individual occupant of those fields for the particular lands he occupies. The details of the ryotwar vary considerably in one district from those in another, and the principles under which the assessment has been fixed upon each field also materially vary in the different districts.

2410. What is the nature of those variations?—The great variation in the assessments upon each field in different districts consists, in the first place, in the proportion of the gross produce assigned to the occupant; that varies in every district, as explained in the Minute I drew up in the name of the Board of Revenue in January 1818, printed in the Indian Selections, and is regulated upon no uniform principle, depending chiefly upon the opinion of the officer who happened to make the survey of each district.

2411. Is there much variation in the fertility of the land from field to field?—Most material; not only in different districts, but in the same district, and even in the same village, in different fields.

2412. Are not all the assessors of opinion, that the proportion of the produce that should go to the cultivator of poor land must be much larger than the proportion which would necessarily be withheld by the cultivator of rich land?—Certainly. The assessments on each field were generally fixed by an estimate of the productive power of each particular field. In some districts, as in Madura, the nature of the soil was recorded; in others, as in Dindigul, the field was recorded as estimated at 100 or 50 bushels. In the former case a defined money assessment was attached to each description of soil; in the latter, the estimated produce was divided between the Government and the occupant. The proportion depended upon whether it was irrigated land or not; and in irrigated land, whether it was watered by tanks, or by wells, or other artificial means.

2413. What allowance was made for the different value of the different crops which must be cultivated on the same land in different years?—In one district the assessment on dry land was regulated with reference to the crop or stubble on the ground; so much for one grain, so much for another; in others an average was taken. In all districts land irrigated by tanks or streams produces rice only; such land, when producing only one crop annually, is distinguished from two-crop land, two crops of rice being often produced in the same year, where the supply of water is plentiful; but the general result of the ryotwar surveys has been to assess the dry land without reference to the particular grain to be grown upon it, more with reference to its own productive powers than to anything else. Thus poor land would be estimated, say at 50 bushels, rich land at 100, and good and bad soils would, to a certain extent, be proportionably assessed; but the great defect of our best ryotwar surveys, I fear, has been, not assessing the various descriptions of soil in

14 April 1832.

I. D. Campbell, Esq.

in that very nice proportion to render the cultivation of the more fertile and highly assessed preferable to that of the less fertile but more lowly-assessed soils.

2414. Upon the average, what proportion of the gross produce is taken by the Government?—It varies so exceedingly in different districts that I could not undertake to give any average; indeed, the truth would merge in any average; but, deducting the reductions above specified by me, from the proportion of the produce assigned to the ryot in each district, of which the particulars will be found in the Minute of the Board of Revenue of January 1818 before mentioned by me, some idea may be formed of the extent of the present demand upon the ryot in most of our districts.

2415. Are there any instances in which the Government takes more than half the produce?—In some it may come near that rate; but the instances would be rare, now that the survey field assessments have been so greatly reduced.

2416. What is the lowest the collectors take in any case?—My impression is, that it is as low in some well lands as 20 per cent.

2417. In the collection of the revenue on the ryotwar system, has it been found easy to carry into effect all the detailed surveys and valuations which appear to be necessary?—Nothing is more simple than the ryotwar system when once it has been introduced, and in no district is such facility afforded to the collection of the revenue as where it is well established; the great difficulty is in the introduction of it.

2418. Is not the introduction of it dependent on an accurate measurement of the quantity of every field, and an accurate estimate of the productive power of the land?—Entirely.

2419. Has it been found, on experience, that those estimates can be correctly made?—With great facility, particularly in some districts where peculiar classes of the people have no other profession than that of estimating the produce of fields; I allude especially to Tanjore. In other districts various difficulties may have been experienced at first; but the persons employed under the direction of the ryots themselves gradually acquired very great facility, both in measuring land, and in estimating its productive powers. I should state, that after the productive powers of the land are estimated, and the produce divided between the Government and the ryot, the next process in the money-assessed districts has been to convert the government dues into money. This second process has also been subject to great variations in different districts. In some an average price has been taken for the whole district; in others different averages applicable to different parts of the same district; and in all the ryotwar field assessed districts, after the ascertainment of the assessment in money upon each field in detail, the gross amount never has formed the amount of the assessment. That has always been corrected, with reference to the collections of former years; so that the detailed survey rather *equalizes* the assessment than *fixes* it. It is subject to such per-centage of addition or subtraction in a certain number of fields, or in a certain number of villages, or in a certain number of districts in each province, according to the best information which the collector may possess of the aggregate amount which should form a just assessment on the entire country under his charge.

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2420. In making these estimates, are persons connected with the different villages employed, or are they entirely government servants, whose duty it is to go over the whole district?—The person employed to make the field estimate is always a government servant, and is held responsible; but he has generally been directed to be guided entirely by the opinion of the ryots themselves, provided they make a fair estimate of the field, he acting more as a check against under-assessment than actually assessing the lands himself.

2421. According to the original form of society among the Hindoos, it appears there were always village officers who had each his duty to perform. If any such officers existed in the districts to which you alluded, are they entirely set aside under the ryotwar system?—In no districts are the village officers in such a situation of efficiency as in the best ryotwar districts. One of the great objects of the ryotwar system is to register, not only each field and its assessment, but those particular fields which are appropriated to the village officers, or the various rates of money-assessment or other privileges appertaining to the village officers; so as to ensure to them the full enjoyment of those privileges. I should say that far the most complete set of village officers under the Madras presidency exists in the Ceded Districts and in Coimbatore. In Tanjore, which has not yet been surveyed completely, a lamentable want of all village officers has been the constant theme of complaint, not only in the revenue, but in the police department.

2422. To what circumstance do you ascribe the absence of those police officers; was it that they had been destroyed by the previous wars and miseries to which the country has been subjected, and that no others had been created in their place?—Wherever the privileges exist, no want of claimants to the office is ever found. The want of those officers has arisen, partly from the usurpation of their rights by the leading men in the village, or in some parts of the country, from no payment, either in money, grain, or land, having been affixed to the performance of the office at all, and no one being willing to perform it gratuitously.

2423. According to the original frame and arrangement of Hindoo society, it would appear that the village officers were all provided for by local arrangements; that they were maintained either by the proportions of land set apart for the purpose, or by some per-centage on the collection of the revenue; are the persons now employed in the collection of this revenue so provided for, or have they what may be called government salaries?—The proper village officers, wherever they exist, are not only the servants of the village, but the hereditary servants of the Government also. They are far the most useful and attached class, though the most humble of our native agency. They collect the government revenue and superintend the police. In the ryotwar districts, in consequence of the Government interfering to secure to them their hereditary rights, they look more to the Government than to the inhabitants, and constantly the inferiors expose the frauds of their superiors to the collector; whilst in other districts where the village institutions are not thus secured, the inhabitants themselves occasionally employ mere hired stipendiaries of their own, without any fixed allowance or public emolument, holding office by the tenure of their pleasure only, and entirely in their own interest, and thus the service of the Government and the public is left to the mercy of a class of men over whom the public have no control. It is in these last-mentioned districts that the villagers

14 April 1832.

I. D. Campbell, Esq.

villagers are in the worst state, that revenue frauds are always organized the most extensively, and are never successfully exposed, for there the stipendiary officers of the village combine with the people themselves to keep the European officers of the Government in the dark, both regarding the fiscal state of the village, and often regarding the state of crime. In the best regulated ryotwar districts, the efficiency of the village police is as remarkable as the want of all organized corruption, and the consequent improved morality and character of the people.

2424. It would appear from the answers you have given, that the whole object of what is called the ryotwar system is to establish such rules and regulations as shall secure to the cultivator the beneficial operation of the ancient Hindoo village system, which, under the village leases, it was found, from particular reasons, could not be carried into effect?—When I left the presidency to become a practical collector, I was strongly impressed in favour of the village-lease system, as described in the Minute of the Board of Revenue of January 1818; but practical acquaintance with the revenue in the provinces, both as collector in the Bellary division of the Ceded Districts, and as principal collector at Tanjore, has satisfied me that the only good revenue management in India is the ryotwar. It in fact exists everywhere in India, the land always being cultivated by certain occupants, and the ryotwar system merely registers the names of those persons, and defines the government tax payable by each. According as the ryot changes his fields yearly, and increases or diminishes his annual cultivation, the government tax rises or falls. The whole details of the village are publicly registered, open to all. Each ryot possesses a lease, specifying his own fields, and of course can distinguish at once his own from his neighbour's; he is annually brought in contact with the European officer, who redresses all complaints, and the whole arrangements connected with the village establishments are fully enforced by the established officers of Government. The only difference between that system and the village lease is, that in the latter Government interpose a particular class of persons between them and the peasantry, and shut their eyes to the details of what actually takes place in the village, seeing nothing except through such middle-man. The contrast between the village establishments in Bellary, and in Tanjore, where I have been practically employed, is most striking. No one who has visited the two provinces, and has compared the two, can fail to see that in Bellary the village institutions are in perfection, whilst in Tanjore they have degenerated, and many of the village emoluments have been usurped by a class of persons who are totally unconnected with the duties for the performance of which they were given.

2425. Are there any very remarkable differences between the ryotwar system as it is carried into execution in one district and in another?—In the year 1826 Sir Thomas Munro made a tour through the southern districts, where chiefly the ryotwar system is in operation, though it also prevails in the Ceded Districts and Nellore. I accompanied him on that tour, as a member of the Board of Revenue, and submitted to him a report, showing in detail the state of the several districts through which we passed. It illustrates better than anything I can state from memory the differences in the ryotwar system, as existing in the several provinces. It compares that in Coimbatore with the same system in the neighbouring districts; touches on the tenures of land as occasionally affected by it, and notices its chief defects,

14 April 1832.

A. D. Campbell Esq.

defects, as well as other errors in the local administration, which required amendment. I have it in my hand, and, with the permission of the Committee, will deliver it in.

[*The witness delivered in the same; vide* Appendix.]

2426. Under the system which prevails in Coimbatore, whatever concessions are made by Government are actually enjoyed by the occupier himself, and are not intercepted by any intermediate person?—Exactly so; but this also is the case in every other ryotwar district.

2427. Is it your opinion, after the experience you have had, that the arrangements in the province of Coimbatore are the best which have been adopted in any part of the Madras Presidency?—I think Coimbatore has been more lightly assessed than any other ryotwar district under the Government, and that therefore the result of the ryotwar there has been more favourable than elsewhere where the assessment has been higher; but since the reduction of Sir Thomas Munro's assessment in the Ceded Districts, to the extent of 25 per cent. on all lands, and 33 on well lands, which I carried into effect in 1820 in the Bellary division, I believe the state of the Ceded Districts has improved astonishingly, and that they are now very nearly on a par with Coimbatore.

2428. What is the present state of the Company's Jaghire in the neighbourhood of Madras?—It is fully explained at the commencement of my report to Sir T. Munro above-mentioned, under the head of "Chingleput."

Lunæ, 16° *die Aprilis*, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

The Honourable WILLIAM LESLIE MELVILLE, called in and examined.

16 April 1832.

The Hon. W. Leslie Melville.

2429. IN what service were you in India?—In the Bengal civil service.

2430. For what length of time?—For 22 years actually resident in India.

2431. What principal stations did you fill?—I was first in the commercial and salt lines for a short time; I was then in the judicial department. Certain disturbances broke out in one of our provinces, Cuttack, to which I was sent down with some other gentlemen; in that I was employed in the judicial and revenue departments, particularly in the settlement of the revenues of certain estates in that district. I was subsequently Judge and Magistrate of Ghazipore, and afterwards was agent to the Governor-general, and officiating Judge of Appeal and Circuit at Moorshedabad; and finally, for one year I was Commissioner of Revenue and Circuit at Bareilly. I have not been much employed in the revenue department.

2432. At

16 April 1832.

The Hon. H. Leslie Melville.

2432. At what time did you return?—I quitted India to return to England at the end of 1830.

2433. Were the districts that you were acquainted with principally under the permanent settlement?—The greater portion of my service was in districts under the permanent settlement.

2434. On what footing is the collection of the land revenue in the province of Cuttack?—Similar to the other unsettled provinces.

2435. To what provinces do you particularly allude?—To the Western Provinces; the settlement is with the landholders, generally speaking, for a term fixed by the regulations applicable to the subject. On the termination of one settlement a regulation is passed specifying that a fresh settlement will be formed, with any exceptions that may be marked out.

2436. What persons do you allude to as the landholders?—They differ very much from each other in extent of possessions, but the zemindars are the persons usually designated in Bengal as possessing the proprietary right.

2437. Are those persons whom you describe as landholders on the same footing now that they were under the native powers?—I have understood that settlements rarely existed with them under the native government; that they were very seldom in possession of their estates, but were allowed a certain per-centage from the Mahratta government, which preceded ours, in the collections; I believe it was a very small allowance; we recognized them as proprietors, and in general they engaged with us.

2438. Were they proprietors under the Mahratta powers; had they any actual property in the land, or was not theirs rather an office with certain duties annexed to it, for which they were entitled to deduct a certain fixed remuneration from the revenues which they collected?—I rather understood that they had some proprietary right; but the short period in which I was engaged in revenue duties in Cuttack was chiefly occupied in remedying some unfortunate mismanagement, and trying to restore order into the practical administration of the revenue affairs of the province. Subsequently one of the ablest servants the Government ever had, the late Mr. Stirling, who held office in the district for some years, entered into a very minute inquiry on the subject of the tenures of land in Cuttack, the result of which is printed in one of the latest volumes of the Asiatic Researches, and I believe it is calculated to throw light upon landed tenures generally throughout India; his information was so much more profound and accurate than any I can pretend to, that perhaps it will be sufficient to refer to it.

2439. What was the nature of the disturbances to which you allude?—They seemed to me partly connected with the administration of the revenue, and partly the judicial administration.

2440. How had they arisen?—In so far as they were connected with the revenue, it appeared to me that there had been some neglect in the superintendence. Satisfaction was always expressed by Government at any increase of the revenue assessed in the province, but sufficient attention was not paid as to the fact of its being actually realized. It was discovered on the breaking out of the disturbances, that the actual collections were about a year in advance of the year of account. Collections were made through 1818, for instance, and the sums were carried to the

the account of 1817; this, among other circumstances, led to great disorder in the revenue affairs of the provinces. The extent of over-assessment thus escaped notice, and very extensive sales of estates to the rich native inhabitants of Calcutta, who were unacquainted with the habits of the natives of Orissa and with the people altogether, and much discontent arose. In the judicial department there were charges against the gentleman holding the office of judge and magistrate, and he was finally dismissed from the service.

2441. Will you state briefly to the Committee what the nature of this charge was?—There were charges of extortion and corruption.

2442. Who were the persons to blame for this over-assessment that you describe, and for the collection of the revenue in anticipation of the payments which became due in the ensuing year?—There was some neglect ascribable to the several authorities. A succession of young and inexperienced men as collectors; a Board of Revenue in Calcutta, which had numerous other duties connected with Bengal, and did not advert sufficiently to the peculiarities existing in Cuttack; and if I might be permitted to say so, I think that the Government itself had not paid the attention to Cuttack which the unsettled state of the land revenue should always exact.

2443. Were the persons Europeans or natives who were most to blame in this matter; I mean with regard to the anticipation of charge, and the over-assessment? —I should say, certainly, that there was a neglect in the superintendence, and in the European management. I am not aware that there was any particular mismanagement ascribable to the natives.

2444. Were natives employed in the subordinate situations in the collection of the revenue, in the usual manner?— Certainly; but the revenue officers frequently personally superintended making settlements; for instance, I personally made the settlement of several estates, and the natives merely committed to paper the engagements which I entered into with the people.

2445. Do you happen to know what steps were taken for the collection of the land revenue in Cuttack, when that province first came into our possession?—We acquired the province from the Mahrattas, and their system, as I understand it, was very loose; they, I think, had no certain demand, but fixed their claims at a high rate, collected what they could, and forgave the remainder.

2446. Was there any accurate detailed village assessment, founded upon the valuation and measurement of the land, under the Mahratta powers?—Not that I am aware of: if it existed, it was not adhered to.

2447. Do you happen to know whether there existed in Cuttack the usual village officers, and whether there were records of the measurement, as well as of the value of the land?—I distinctly recollect that there were.

2448. Were they such as were acted upon under the Mahratta powers?—They might serve in some degree as a guide, but not as a check. The principle with the Mahrattas was, I imagine, to take all they could realize; but I am not well acquainted with the details; their rule had ceased many years before I went to Cuttack.

2449. When that province was transferred to us, do you think that the amount of assessment was increased or decreased, as compared with what it had been of latter years under the Mahrattas?—I do not happen to recollect that.

2450. Can

16 April 1832.

The Hon. *W. Leslie Melville.*

2450. Can you state what was the nature of the agreement first made with the zemindars of Cuttack upon our coming into possession of that district?—I do not recollect examining their engagements. I conceive, however, that it was to discharge the revenue demanded from each with punctuality, and in other particulars to conform to the clauses of a proclamation which was published by certain commissioners who were appointed for the management of the affairs of the province, and which was subsequently incorporated into one of our regulations.

2451. Do you know what steps were taken in order to ascertain or to record the rates at which the old hereditary cultivators of the district had held their lands; were any such steps taken?—No; I am not aware that any such steps were taken. I remember inquiring, but found that few or no Mahratta documents had been transferred to us, either at the time of the conquest or cession of the province; and I think I wrote to Mr. Jenkins, at that time the resident of Nagpore, upon the subject; but I was removed from the province, and I do not know whether the papers were subsequently obtained.

2452. Was there in the different villages in the district an officer known by the name of canoongoe or keeper of records?—Generally, the usual establishment both of pergunnah and of village officers existed.

2453. Were any courts of judicature introduced into the province at the time of its cession to us?—There were the usual courts; the civil court, and the court of the magistrate or criminal court, with superintending courts at Calcutta.

2454. In what respect did the system established in 1803 in Cuttack differ from the permanent settlement established by Lord Cornwallis in the Bengal provinces in 1793?—The system was similar, but the amount of the assessment was not permanent; and the importance of that particular with all its attendant circumstances was not sufficiently adverted to.

2455. In the case of the land revenue not being regularly paid, what steps was the collector enabled to resort to in order to enforce the payment; did they differ in any degree from those which prevailed in Bengal under the permanent settlement; had he recourse to sales in the usual way?—The steps taken were similar to those adopted in Bengal.

2456. Was the collector under the necessity of giving a notice of sale, and of putting the property of the zemindar, or whoever it might be, up to public auction? —Certainly.

2457. Can you say whether many zemindaries had been put up to sale previously to your going there?—A great number had been actually sold; two-thirds of the province had been frequently put up to sale, and a very large proportion actually sold.

2458. What class of persons have become the purchasers?—Frequently opulent natives of Calcutta, who were disposed to speculate in land.

2459. Did the purchase of those rights by strangers produce much dissatisfaction in the province?—I should think it did; they were non-resident principally; their agents were principally inhabitants of Bengal, who are foreigners to the inhabitants of Orissa, and understand neither their language nor their habits; and the demand of Government increasing while the demand of this new body of landholders increased, the consequence was very general misery.

2460. Do

16 April 1832.

The Hon. W. Leslie Melville.

2460. Do you happen to know whether the rights, whatever they may have been, which existed in the actual cultivators as occupiers of the land, were affected by those auction sales; was the purchaser of the land supposed to have bought a complete and unlimited right in it?—Certainly, I understand not; under the regulations, I conceive the purchaser merely acquired the right of the seller, as declared at the time of the original formation of the settlement.

2461. Was this declaration contained in the proclamation to which you have alluded in a previous answer?—Reservation was made, I believe, in that proclamation of the rights of the under-tenants.

2462. Do you recollect what those rights were defined to be?—No; the code was principally borrowed from that of Bengal, and probably corresponded with the general, though perhaps somewhat loose and inaccurate declarations made in the Bengal Regulations.

2463. Do you happen to know whether much litigation had arisen under the arrangements which you describe; had the cultivators brought many complaints and actions into the zillah courts?—No, I do not think there were many; I am afraid the people were too poor to gain easy redress from our courts.

2464. Do you believe that, under the circumstances in which the cultivators existed in the zemindaries created in Cuttack, they would have been able to protect themselves against the power and authority of the zemindar, and maintain the rights which by the proclamation were reserved to them, by the instrumentality of our courts or by any other means?—No, I am afraid they had little beyond the usual resource of the tenantry in India, that of the landholder dreading the depopulation of his estate.

2465. Do you believe that that is the natural and practical limit to the pressure which a zemindar is likely to put upon his ryot?—It is too frequently; I recollect feeling this impression very strongly, and in consequence suggesting in one of my reports, written at the moment, some mode of empowering the head of a village to sue as representative generally of the village: I wished to provide a remedy for the individual helplessness of the ryot, but I doubt if that mode was attempted.

2466. You think it has never been carried into effect?—No; I left that district soon after, and had not an opportunity of observing.

2467. Do you know whether any of the zemindaries in the country of Cuttack have been divided, either by sale or by the descent of property from father to sons?—I do not happen at this moment to recollect any such case of division. Many of the principal estates in Cuttack are held under a peculiar tenure by hereditary rajahs, whose property, under the general regulations, I think is declared not to be devisable: there are two kinds, one surrounded by our provinces, whose estates are subject to the general regulations; the other bound the western side of the province, and the rajahs pay a small quit rent, merely as feudatories of the Government, but are not amenable to any of our tribunals, nor do we interfere at all in the internal administration of the raj.

2468. Is that district now entirely tranquillized, and is the revenue collection put upon a footing satisfactory to all parties?—It was; the inquiries which were commenced at the period I referred to led to the employment of many of our ablest public officers there, and the district has been one of the most prosperous, I believe, in

16 April 1832.

The Hon. *W. Leslie Melville.*

in the Company's provinces ever since. I think I have understood, though, that in the northern parts of it some increase in the revenue might probably be obtained, no revision having taken place since the conquest of the province; I allude to the vicinity of Ballysore.

2469. Do you think that the productive power of that part of the province is materially increased; has more land been brought into cultivation, or has that which was in cultivation before been rendered more productive?—The assessment was originally formed on insufficient data; so that where it was excessive, in the natural course of things it has failed and been reduced, but where too low it has not been raised.

2470. What is the total amount of the land revenue raised in the province of Cuttack?—I do not happen to recollect it.

2471. Is the amount levied upon the cultivators' land in Cuttack confined strictly to the land assessment, or do they pay anything of the nature of village cesses?—Not that I am aware of; the Regulation of Bengal abolishing all cesses, was extended to Cuttack.

2472. Are there any peculiar dues that arise from the worship of Juggernaut?—There are collections made on the part of Government at the temple of Juggernaut.

2473. In what way are they charged and collected?—It is on the admission of pilgrims to perform their devotions at the temple.

2474. Are there not lands appropriated to the services of the temples?—There are.

2475. Does all that matter remain precisely on the same footing on which we found it when the province was transferred to us at the conquest?—I think so; everything has continued, I believe.

2476. Were you at any time particularly conversant with the salt manufacture, and the mode of levying a duty upon it for the Government?—I was for about a year, during the early period of my service, an assistant to one of the salt agents; so far I became in some degree conversant with the subject.

2477. Has it ever occurred to you that any mode could be resorted to by which the public could be supplied with salt better in quality and lower in price, and yet the Company lose nothing in the amount of revenue?—No, I am not aware of any means of accomplishing that; the tax at present appears to me to be collected with little vexation to the people, and to be very productive to the Government. I am alluding to Bengal generally.

2478. Do you think that it stands now upon as good a footing as it can rest upon?—I have never seen any plan which appeared to me to hold out the promise of equal advantages with so little inconvenience.

2479. Do you entertain the same opinion with respect to opium?—Yes.

2480. Have you at any time been at all conversant with the transit duties, so as to know what is the effect produced by them upon the internal commerce of the country?—I should say that they were vexatious and burdensome, not only to traders, but also to individual travellers. The delays and extortions practised by the officers of that department are a source of great evil.

2481. Does the collection of those duties render necessary a frequent and troublesome examination of all goods transported both on the Ganges and on all other lines

16 April 1832

The Hon. *W. Leslie Melville.*

lines of communication, either by land or by water, throughout the country?—That examination either does take place, or the officer is fee'd for exempting them. Such is the general complaint, and I have no doubt but that it is well founded.

2482. Has any mode ever suggested itself to you by which those transit duties could be commuted for any other charge of revenue that would be equally productive?—A mode was suggested of limiting the custom-houses to one or two principal points, to Calcutta and to frontier places, I think, and to leave the internal traffic free; but I am not sufficiently acquainted with the details to be able to speak with any precision upon it.

Captain GEORGE AUGUSTUS UNDERWOOD, called in and examined.

Captain *G. A. Underwood.*

2483. WERE you in the Company's service in the Madras presidency?—Yes, in the corps of engineers.

2484. For what length of time?—For 10 years. I have been more than 14 years in their service, but only 10 years actual residence in India. I have been home three years.

2485. What situations have you filled in the civil service of the Company?—I have never filled any other civil situation in the service of the Company but that of civil engineer.

2486. Is that a new class of officer in the service of the Government?—It was originated about 18 years ago, to the best of my recollection, and then only one officer, Colonel Caldwell, was employed for the whole of Southern India.

2487. How many persons are now employed in that office?—There are three principal officers employed for the whole of Southern India; they have some half-caste assistants.

2488. What duties had you to perform?—Duties of very great importance, checking all disbursements for tank repairs, for channels of irrigation, roads, bridges, and in fact every expenditure of a civil nature. Without the counter signature of the civil engineers, no disbursements are supposed to take place in the tank department. According to the regulations of the service, all the estimates and bills of adjustment must pass through their hands, and be reported on, before the inspector-general at Madras will forward them to the Board of Revenue.

2489. Had you any duty to discharge connected with the survey and measurement of land?—A great deal.

2490. With a view to ascertain the amount of revenue to be charged upon it?—Not exactly with that view, but in order to check frauds, to ascertain any errors in the accounts that were produced, and for the purpose of improving the irrigation of the country.

2491. The accounts you allude to being the result of surveys made by natives?—Made by natives, and on the records of the villages or places which were under examination.

2492. What number of civil engineers are now employed in the Madras presidency?—When I left India three years ago, there were three principal civil engineers of districts; the whole of Southern India being divided into three grand divisions, northern, centre, and southern. I had charge of the southern division, upwards of 30,000 square miles in extent.

2493. Is

16 April 1832.

Captain G. A. Underwood.

2493. Is there any establishment in Madras for the education of persons for this department?—Not for European officers, but half-caste boys are trained up under the inspector-general at Madras.

2494. Where did you receive the education which was necessary to qualify you for the discharge of those duties?—At the Honourable Company's Military Seminary at Addiscombe.

2495. What persons had you under you to assist you in the detailed operations that you superintended?—One or two young half-caste assistants, and latterly a cavalry officer.

2496. Were the duties committed to your charge altogether new, or had they been before performed by any other class of public servants?—They were quite new as to the department generally, but Colonel Caldwell was the first engineer officer appointed, about 18 years ago, to this particular purpose of supervision; consequently, it was a new order of things: he was called the Superintendent of Tanks.

2497. Under the native powers, had the establishment or the management of tanks attracted much of the attention of the rulers of the country?—I fancy a very great deal; but I cannot speak with certainty.

2498. Do any recorded regulations for the maintenance and management of the tanks remain in the hands of the village officers?—No regulations that I am aware of before our own government; but as in many parts of the country a very ancient custom prevails of preserving or allotting a certain portion of the gross produce for tank repairs, &c. &c., I doubt not certain rules did and may still exist.

2499. Are there not to be traced, in various parts of the districts with which you have been conversant, the remains of tanks to a very considerable extent which have gone out of repair?—Yes, to a most extraordinary extent; and at the present day the tanks are almost innumerable.

2500. Do you suppose that those tanks ever were in existence and in operation at one time, or have they been the works of successive occupiers of the country?—I imagine that they must formerly have been all in operation at one time. I speak of many years ago.

2501. Is there any record as to what time those tanks were in operation?—I am not aware that there is any record as to the exact period; but I should suppose, from my own observations, about the period of the wars that took place in the Carnatic antecedent to 1750.

2502. Were the tanks destroyed during those wars?—Not destroyed by design, perhaps; but I imagine from the country being depopulated by wars, famine, and other causes, they fell into ruin.

2503. Did the depopulation of the country destroy the tanks, or was it the destruction of the tanks that depopulated the country?—I should think that it was the want of population originally that caused the neglect of the tanks, and afterwards the absence of water increased and aggravated all the evils which the remaining people experienced.

2504. To what extent have those tanks been restored?—They have been restored to a greater extent than is absolutely necessary for the present *cultivation*, consideration being paid to the wants of their cattle. Vast sums have been laid out annually

annually for the repair of those tanks; from 60,000 *l.* to 80,000 *l.* on an average: 120,000 *l.* was the amount disbursed in 1829-30, according to the published accounts.

2505. Is there any account which will show the number of tanks restored, the situation of them, and the cost?—Certainly; such a record is kept monthly at Madras, in the office of the inspector-general of tank estimates.

2506. Is there any copy of that record in England?—I believe not. In England no account can be ascertained of those details which are conducted by the civil engineer's department in India, in consequence, I fancy, of the very voluminous form they assume.

2507. Are they more voluminous than is necessary?—Not at all more than is necessary: the civil engineer being ordered, while traversing his district, to measure all work, even of the least dimension, either in stone masonry or earth; to see the workmen paid himself, if possible; to check all frauds, and to make a record of his daily proceedings, which is forwarded monthly to the inspector-general for the information of the Board of Revenue and Government. These records or diaries were considered of so much importance, that the late Sir Thomas Munro invariably made a point of perusing and examining one or more of them.

2508 Of how many collectorates does the district of which you are speaking consist?—Five, and probably the most important in Southern India. They are Tinnevelly, Tanjore, Madura, Coimbatoor, and Trichinopoly.

2509. In which of those districts has the restoration of tanks been carried to the greatest extent?—If I confine myself to the term tanks, I should say in two, Tinnevelly and Madura; but that is the least important branch of duty in my division.

2510. What branch of duty in your division do you consider as more important?—That connected with Tanjore, Coimbatoor, and Trinchinopoly, which are watered by channels of irrigation from large rivers

2511. Which channels are under the management of the civil engineer?—Entirely.

2512. Be so good as to describe to the Committee the extent and character and the construction of any one considerable tank, the regulation of which you superintended?—The generality of the tanks in the southern division are small compared with those of the northern and centre. In the latter district 13 very large tanks are met with, each from 15 to 25 miles in circumference; such as the Cauverypauk, Carangooly, Cumbum, &c. &c. tanks: a reservoir of this kind is formed by damming across a large valley, into which several streams from the mountains or otherwise empty themselves. It may be further supplied by a canal cut from some great river in the neighbourhood, which has been dammed across by masonry, stone, or earth. Some of those canals are 60 and 70 miles in length; along their course other minor branches are taken off, irrigating vast tracts of country on both sides yielding revenues to a very large amount, sometimes 7,000 *l.*, 8,000 *l.* and 9,000 *l.* (70,000, 80,000 and 90,000 rupees) per annum.

2513. With reference to the tank to which you particularly alluded, be so good as to say what are the dimensions of the dam-head, and of what it is constructed?—The bund is generally constructed of earth faced with some revetement, either of stone

16 April 1832.

Captain
G. A. Underwood.

stone or brick. The bund supporting the water varies according to the locality; it is sometimes 15 and 20 feet high, made of earth reveted with loose stone or with fine masonry of stone and brick. The bund of Cauverypauk tank is five miles in length.

2514. Do you remember what was the cost of the particular bund to which you are alluding?—I am not aware that any reservoir I now speak of has been formed since the adoption of a civil engineer's department; I cannot therefore state the cost that such a tank might have created originally, but the expense for a similar one at the present day can be readily assumed.

2515. Do you mean that these tanks have been restored only, and not created?—Restored and maintained for the purpose of irrigation; our present efforts being directed to the preservation of the existing revenues.

2516. Can you state the cost of the restoration?—I can. One tank, the Carangooly, in Chingleput province of the centre division, was destroyed by the storm of 1827, which ruined 1,100 others in North Arcot alone. The estimate for its repair, framed by the native servants in the absence of the civil engineer on sick certificate, and submitted by the collector at the close of 1828, amounted to 64,000 rupees, or 6,400 *l.*; the civil engineer repaired it in 1829, for 8,000 rupees (800 *l.*) (I am assuming the exchange at 2 *s.* a rupee for brevity), and the tank was immediately filled, no loss being subsequently sustained in the revenue; the difference was 56,000 rupees, (5,600 *l.*); 12,000 rupees (1,200 *l.*) were afterwards recommended and laid out.

2517. What was the actual cost?—The actual cost was 20,000 rupees (2,000 *l.*), 1,200 *l.* being added afterwards as above-mentioned to strengthen it, and render this reservoir, supplying thirteen villages, safe from all further damage; but the actual cost for repairing it at the moment was 800 *l.* It is fair to remark, that the natives did not appear on this occasion to be prompted by fraudulent motives; ignorance and want of science were their great faults.

2518. Do those bunds frequently give way in floods?—Constantly.

2519. Is there no mode by which they can be rendered strong enough to resist the weight of the water?—Yes, certainly; and we have of late years adopted such modes, and have obviated all such violent attacks; but I may say that judicious and scientific management is constantly required. In one district alone, that of North Arcot, (1,100) eleven hundred tanks burst in one year, 1827. They had been neglected for a long time, owing to the want of officers to superintend and properly direct the repairs. The regulations of the Government are such, that all repairs of an ordinary nature require the authority of the civil engineer; while such an authority exists, some difficulty arises as to disbursements during his absence, and delays occurring, ultimate injury is the consequence. In this sense, while so inefficient, the department sometimes is worse than useless.

2520. How many begahs of land can be watered from one of those tanks?—That depends upon the nature of the crops. If only one crop is obtained, a large tank will water a very vast tract of country; if two crops, they will probably cultivate less of ground, reserving a supply for the second.

2521. Is it a very considerable tract, that either under the one system or the other can be watered by a tank?—By a large tank, a very large extent of ground.

From

From the tank of which I have been speaking, which is 25 miles in circumference, I should think about 5,000 acres; but I am speaking now only from memory, and from imperfect data.

2522. You said just now that the inspector's superintendence was in some cases worse than useless; do you mean that it is so at present?—I mean at present.

2523. Are you enabled to state what the increased value of the land is, by the power of irrigating it?—The proportion between dry and wet cultivation is as one to five; by being irrigated, the average land is increased five times in value.

2524. Has the government revenue increased in that proportion?—I should think it has; subject however to subtraction on account of the extra difficulty of the collection, and the expenses incident to the change, for clearing watercourses, &c. &c.

2525. In what way does the collection of the land revenue become more difficult?—In consequence of its being a different kind of crop; rice, for instance, while the other is dry grain. When the assessments are such that the revenue is derived by taking a proportion in kind, the collections become of course more difficult.

2526. In what way is the distribution of the water among the different proprietors regulated; by customs that are known among the inhabitants themselves?—By customs among themselves, and partly by the nature of their tenures.

2527. What is there in the nature of their tenures which enables them to regulate that distribution?—From the tenor of my duties as a civil engineer, I cannot speak properly as to the nature of tenures; but in the course of my examinations I found that many of the people holding lands held them upon the condition, that Government should keep their reservoirs and channels of irrigation in perfect repair; consequently, every man under such circumstances is entitled to his fair share of the water.

2528. Is that the usual tenure in cases of irrigation?—I think it is.

2529. Then in case the Government neglect to keep those tanks in repair, of course they are bound to make a deduction from the amount of revenue on the land?—I believe so; but as I said before, my duties are so distinct from that of the collection of revenue, that I only speak under correction.

2530. Notwithstanding the destruction by floods, has the state of the tanks improved of late years or deteriorated?—Very vastly improved.

2531. Would you propose an increase upon the number of superintendents?—They have been increased lately, and the Government have now taken into consideration this very branch, which requires further increase, as it has forced itself into notice, from the peculiarity of its duties, from the great saving it has already made in the disbursements, and from the increase of the revenue which it has already occasioned. I am persuaded that the responsibility and duties of the civil engineer are second to none in the service. As an improver of their resources, and arbiter of their disputes, a friend to the poorest workman, and a foe to all peculation, the civil engineer has opportunities of raising the British character among the natives, which can be enjoyed by few. To do this properly, he must know their languages, customs and rights; be active, clever and experienced, but above all, patient and good tempered.

2532. Does

16 April 1832.

Captain
A. Underwood.

2532. Does the maintenance of the tanks, when once restored, depend upon constant and vigilant watch, especially during floods?—Certainly; every tank has or ought to have a sluice of discharge

2533. Is there any person appointed to watch that sluice of discharge?—Yes; there is a village gomasta or other person generally paid for the purpose, whose duty it is to keep his eye upon the tank, to see that the sluices are open in case of flood, and to open them when required. A very injudicious method prevalent among themselves, and which has been forbidden by us, is cutting open the bund, adding of course to the evil. I have known villages materially injured from that very cause.

2534. Describe the southern division generally?—The southern division contains seven great rivers; across one of them, the Ambrawaddy, there are 39 dams, and across another, the Noel, 33, while from the Cauvery nearly 53½ lacs of rupees, about 535,000 *l.* annual revenue, is derived.

2535. Across which river are there 39 dams?—The Ambrawaddy river, in the Coimbatoor district.

2536. Are they all in good repair?—They are generally in good repair, and many of them well constructed.

2537. Are they strong?—Very strong, though rough; but many of them are of very ancient date.

2538. Are they sufficiently watched to make it improbable that they will suffer by floods?—They are not much watched, because they occur in parts far from villages generally, from the nature of the case. In order to water the lands of a village, it is necessary to go many miles to form a dam.

2539. Are the dams exposed to as much risk in case of flood as the bunds which you have previously described?—They are a great deal more exposed, but from the nature of their construction they are not so liable to be damaged by floods. They are placed across the rivers, in order to force the water out of its natural course into an artificial one.

2540. Is the whole body of water forced into another channel?—The bund goes across the whole river, and the water runs over it. Another river, the Noel, in Coimbatoor district, has 33 dams. Those two rivers are very important. The third, the Bowan, likewise in the Coimbatoor district, has three dams: the Denaiekencottah, the Codavelly near Sattinumgalums, and the Calingaroyen, near the town of Bowany. The south channel of irrigation from the Codavelly runs 54 miles, yielding a revenue of about 6,000 *l.*; the northern channel is of less importance.

2541. Is the land which is under irrigation from its own nature so level as to be easily flooded, or are the inhabitants forced to go to considerable expense to adapt their land to the channels of irrigation?—Generally speaking, the land is taken with that slope and on that level that it is easily watered; there are cases where they require to raise up a few small banks at the ends of the slopes, in order to prepare their ground.

2542. Are there other dams of importance?—There are; and there are various other rivers in this district of much importance.

2543. Is the establishment of civil engineers to which you belonged, equal to the discharge of the duties that are required from it?—Certainly not. Sir Thomas Munro,

Munro, in whose train I had the honour of travelling when that lamented and distinguished individual made the tour of the southern division in 1826, was aware of this inefficiency, and promised as much remedy as circumstances would admit: but notwithstanding the necessity of young engineer officers as assistants was admitted, I could never procure one.

2544. Are great losses frequently incurred in consequence of the inefficiency of the establishment?—Very great losses.

2545. What instances particularly have come to your knowledge in that respect?—One in the Tinnevelly district, about the latter end of the year 1827. In consequence of the want of an officer to superintend the improvements recommended by the civil engineer in the Tambrapoorny river, that flows 70 miles through the Tinnevelly district, the clearances and repairs urgently recommended by myself after laborious surveys, and strongly supported by the collector of the province, could not be executed. Floods unfortunately occurred, and as predicted, the banks burst in all directions below the town of Tinnevelly, and it is reported, I believe with truth, that about 10,000 *l.* were lost to the revenue that year, besides the destruction of many lives and much property: the annual deficiency since has been very considerable. Another instance occurs to me in the Trichinopoly district. I was called upon to immediately survey and level a channel of irrigation 60 miles in length, traversing the district and passing through the cantonment of Trichinopoly. Being absent and urgently required elsewhere, my half-caste assistant took the necessary levels, but from some error in the survey (immediately detected by myself) the work was delayed, and loss of revenue to a very vast amount occurred that year, and a deficiency of water has been the consequence ever since.

2546. Describe the nature of irrigation in Tanjore.—Tanjore, probably, is the most important district we have: it is very highly cultivated, and there is not much room for extended cultivation, Everything depends on the supply of water from the Cauvery river, which is forced through innumerable branches over high tracts by a large mound situated opposite Trichinopoly. For the preservation of this mound great science and attention are required. The beginning of the mound is about nine miles above, or west of Trichinopoly, extending many miles below that large town, and divides the large Cauvery river into two branches. The northern one is known by the name of the Colleroon. The "great dam," a masonry work of very ancient construction, occurs about nine miles below, or east of Trichinopoly; about two miles above it, a large artificial channel, like a river, called the "Vennaur," branches from the Cauvery. From this and the main branch, running 70 miles across the district, 17 or 18 large branches spread themselves in all directions. Over these, in most places, bridges are built, sluices are everywhere seen, and the roads raised nine or ten feet in many cases.

2547. Is that about the level required through the district?—Through a portion of the province, parallel to the coast, 30 miles inland, it requires that elevation; and there is a vast sum expended for those roads annually. There are numerous branches leading into the Trichinopoly district from the Cauvery, above or west of that large town, on both sides of the river, north and south, yielding a revenue of about 35,000 *l.* annually; and as Tanjore yields about

16 April 1832.

Captain J. A. Underwood.

about 500,000*l.* annually, some idea may be formed of the importance of this branch of our duties. Relating to the very point now under observation, two letters severally written by the collectors of these two provinces, in August 1828, will at once serve to show the very great importance attached to the opinions and decisions of the civil engineer, and the vast concerns at stake whenever that officer is emergently called upon to act. In the one case the collector of Tanjore remarks, that "on the verdict of the civil engineer depends the whole of the year's revenue" (500,000*l.*); and in the other, the Trichinopoly collector states, that if the engineer's suggestions prove fallacious, (as he anticipated, and was warranted in fearing from the alarms of the people far and wide,) "not only would the cultivation and villages for miles round be destroyed, and many lives lost, but even Trichinopoly itself might be washed away," (or words to that effect). The responsible officer, however, in both instances, can appeal to the public records to prove that his plans and suggestions, while they succeeded most satisfactorily, were the means of averting a very great expenditure of time and money.

2548. Under the increased powers of irrigation which have taken place of late years, has an evident improvement taken place in the condition of the people?—Very great. One district alone, Coimbatoor, has increased 60 per cent. in population, and the condition of the people generally has improved from that of poverty to respectability. This happy result may with justice be attributed to other causes; however, irrigation and improvement keep pace with each other.

2549. Is that the case in any other district that you are acquainted with?—Very much in Tanjore; not so much in Madura.

2550. Owing to what circumstances; is it to a difference in the settlement of the revenue?—I am not aware that there is any difference in the settlement, but I fancy that the means of artificial irrigation have not been so much improved upon there as in other districts, similar supplies of water not being so constant and abundant.

2551. Does the care of bridges fall under the corps that you belong to?—Entirely.

2552. Are the bridges in that district entirely maintained by the Government?—Entirely by the Government.

2553. Are they very numerous?—Very numerous; across one road upwards of 100 occur in a short space of perhaps 30 miles.

2554. Are they of ancient construction?—All new that I speak of; there are very few bridges, comparatively speaking, of ancient construction.

2555. Though tanks were abundant, bridges were not, under the native governments?—Bridges were not so numerous under the native governments, as far as I have observed.

2556. Of what materials are the new bridges made?—Of stone masonry and brick.

2557. Have they been well constructed?—We believe so.

2558. Have many of them been washed down?—They were all planned by engineers, and many of them have been washed down, not from the fault of construction but from sudden inundations setting in before the materials were dry, as also from a want of proper superintendence.

2559. What

2559. What description of stone are they made of?—A sort of sienite, generally; sometimes a granite, but granite is not very plentiful; and very frequently of a sort of red iron-stone, and also of a very strong description of sand-stone.

2560. Where does the sand-stone occur?—We find it on the sea-coast; it is very soft on first cutting, and hardens very quickly on being exposed to the atmosphere. In the southern districts, in Tinnevelly and Ramnad, I know it has been found.

2561. Do you know anything of the expense of those bridges?—They vary according to the size of the bridge and the locality; some bridges consist of 10 arches.

2562. Can you say what is the span of the bridge and height of the pier usually?—The height of the pier is in those large cases about 12 or 13 feet, and the span about 14 or 15; the object of those bridges generally being more for the purpose of communication over large canals of irrigation than over rivers.

2563. Are there any bridges over the great rivers?—None; from the nature of the case it is useless almost to construct them. For instance, one river, the Cauvery river, is in some parts three-quarters of a mile across, and easily fordable half the year. The traffic is comparatively so little that it would not be at all advisable to build a bridge across it.

2564. Have you an acquaintance with the river which is called the Godavery?—Very little; I crossed it in the early part of my residence in India, when I was ordered into the field.

2565. Is there any irrigation derived from it?—I fancy very little.

2566. To what cause do you attribute that?—Owing to the steepness and height of the banks; any water derived therefrom must necessarily be brought from a great distance, and the cost would therefore be very great. Its rapidity sometimes is such, moreover, that a dam across it would, I imagine, be difficult of construction.

2567. What other works of a civil nature are there?—Bungalows (houses for travellers) have been built in all parts of Southern India, throughout the Madras Presidency, at a very vast expense; they are met with at every principal station and along all the great roads. One road through the Nellore district, over miles of cotton ground, cost, it is believed, upwards of 10,000 *l.*, with an almost innumerable supply of bridges from one to ten arches. The road up the Japoor Pass, between Salem and the Baramahl, has also been lately made, and is a splendid work.

Mercurii, 18° die Aprilis, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

III.
REVENUE.

18 April 1832.

Holt Mackenzie, Esq.

HOLT MACKENZIE, Esq. called in and further examined.

2568. IN what way does the tenure of land in Bengal now differ from that under which it was held in the government which preceded ours?—The primary distinction, in the permanently settled districts of Bengal and Behar and Orissa, is that the amount payable to Government is fixed in perpetuity. The mode and degree in which the arrangement has affected the great body of the people will be found to vary considerably in different places, and to explain the matter satisfactorily a long detail would be necessary. Indeed, that the terms used may be understood, it seems necessary, as the foundation of all discussions on the subject, to define the different tenures, as far as they are known, by which land is held, commencing with the lowest class of occupants (meaning by the term those by whom or at whose risk and charge the land is cultivated), and proceeding upwards to the persons who stand upon the government records as responsible for the government demand.

2569. Be good enough to begin with the lowest, and explain what you consider to be the actual rights of the cultivator, and so upwards to the zemindar?—In some instances, ordinarily when cultivation and residence are in separate villages, the tenure of the persons occupying land (the parcels held by individuals of all classes of occupants are in India generally small) seems to be nearly analogous to that of farmers in this country, the cultivator holding generally from year to year, without any fixed right of occupancy. And even in the case of such persons, the rules by which the rent is adjusted, are subject to considerable variations. Sometimes the tenant pays a certain sum for a stated extent of land, varying sometimes according to the quality of the soil, sometimes according to the kind of the crop, and sometimes with reference to both; but being still defined as so much per begah. In other cases he has to give a share of the produce, or to pay a money compensation in lieu thereof. But these and other varieties which might be mentioned, although they determine the manner of adjusting the amount payable by the occupant, do not materially affect the nature of his right in the soil, which is that of a tenant, holding, after the expiration of the period for which he may have engaged, at the will of another.

2570. Do you happen to know whether he is generally entitled to hold by the year?—I never heard of anything under a year.

2571. Have they a right similar to that which prevails in England, that they can only be called upon to quit their farm at a known period of the year?—It is generally understood that the interval between the getting in of the last crop of one year, and the ploughing for the next, is the time at which it is settled.

2572. Is there anything similar to notices to quit that prevail in England?—I am not aware of any such form of notice being established. The class I now speak of usually

usually reside in a different village from that to which the land belongs, and settle at the period of cultivation, with the zemindar or his manager, for the ensuing year. They have little or none of the local attachment which facilitates exaction from the fixed occupants; and though it may be expected to become every day more important to provide clearly for the rights of all classes, the necessity has as yet been little felt in the case of these non-resident cultivators. Generally, in regard to them, it may be said that the zemindar is as anxious to have the tenant, as the tenant is to have the land; and the adoption of measures to secure them from injury is not so much required as in the case of the resident cultivators, who have fixed rights.

2573. Do persons of all religious sects hold by the same tenure?—In respect to the nature of the interest enjoyed, the tenure does not appear to be influenced by caste or religious persuasion; but frequently the amount of rent is found to vary with the caste of the occupant.

2574. Is it customary for proprietors to cultivate their own estates, or are they usually let?—Before answering that question, I should wish to explain what I mean by the word proprietor. The class I have now been describing may be considered to have no fixed right of occupancy; but the more general tenure in Bengal is that of cultivators possessing a fixed right of occupancy in the fields cultivated by them, or at their charge and risk, whom I should call proprietors of the fields to which the right attaches.

2575. Describe the nature of their right?—They may be generally described as cultivators possessing a fixed hereditary right of occupancy in the fields cultivated by them, or at their risk and charge; their tenure being independent of any known contract, originating probably in the mere act of settlement and tillage; and the engagements between them and the zemindar, or (in the absence of a middle-man) the government officer, serving, when any formal engagements are interchanged, not to create the holding, but to define the amount to be paid on account of it. They cannot justly be ousted so long as they pay the amount or value demandable from them; that being determined according to local usage, sometimes by fixed money rates or rates varying with the quality of the land or the nature of the crop grown, sometimes by the actual delivery of a fixed share of the grain produce, sometimes by an estimate and valuation of the same, sometimes by other rules; and what they so pay is in all cases distinctly regarded as the government revenue or rent, whether assigned to an individual or not, in none depending on the mere will and pleasure of another. There are varieties of right and obligation which one could fully explain only by a reference to individual cases; but this is my general conception of the rights of the class whom I should consider the proprietors of the fields they occupy. In Bengal Proper they are usually called khoodkasht ryots (*i. e.* ryots cultivating their own), and by this class of persons I believe the greatest part of the lands in that province is occupied.

2576. Do those persons still enjoy those rights; are they protected in them?—I am afraid that generally the protection afforded them is very insufficient; but it varies in different districts. In the immediate vicinity of Calcutta, for instance, the old zemindars having been at one time excluded, and the revenue managed by an

18 April 1832.

Holt Mackenzie, Esq.

an officer of the Company in the capacity of zemindar, a detailed measurement of the district was made, and a record prepared, specifying the rates at which the rents of the ryots were to be adjusted, with a detail of their holdings: the settlement being in fact ryotwar. The arrangement continued after the restoration of the zemindars, in so far at least as concerned the essential rights of the tenantry, which were maintained notwithstanding the intervention of those persons. The decennial settlement with the zemindars, of which the last year's demand became perpetual, was made upon a measurement, and with specific reference to the rents demandable from the cultivators; and those among them who obtained pottahs from the collector, or were recorded in the rent-roll as khoodkasht ryots, have been maintained, when the proof of the fact was forthcoming, in possession of their tenures, subject to the rent or revenue then settled; the zemindars having only the right of collecting what was so settled, and the tenure of those rights having in many cases become a property of considerable value.

2577. What is the extent of the district over which this system has prevailed?—The district of the Twenty-four Pergunnahs yields to Government about 100,000 *l.* Its extent is, I think, about 6,000 square miles; but I cannot say what proportion is held by tenants of the description in question. In other places too, for instance in the district of Dinagepoor, though no detailed settlement preceded the decennial leases, I have understood that the rates payable for the different descriptions of land were adjusted upon such a principle as to leave the ryot a tenure of value, and that those rates have been maintained. Elsewhere in general, though the right be the same, the enforcement of it is difficult, and its value is uncertain, for want of sufficient records; and I am not able to say how far practically the rates demandable are such as to leave the tenants a valuable tenure or not. In the majority of cases I should say the demand is so great as to leave it of little or no value.

2578. And in those cases the ordinary rent appears to press heavily upon the tenant?—Yes; and this in cases even where the arbitrary demands of the zemindar are apparently prevented by fixed rates, to which the ryot may appeal; for these being fixed without a measurement by the government officers, to ascertain the precise extent of the lands occupied by the cultivators, are frequently excessive when applied to the actual area, though the rent adjusted according to them upon the quantity of land supposed to be so occupied may have been moderate; the land actually held often exceeding the nominal extent.

2579. Can you give the Committee any idea of the prevalent size of those zemindaries?—The extent of zemindaries varies extremely; the zemindar of Burdwan, for instance, pays the Government several hundred thousand pounds; in other cases zemindars pay a few rupees. Nothing is so indefinite as the term zemindary in Bengal; almost every man with whom a settlement was made was called a zemindar, whatever the extent of his tenure might be.

2580. In what manner was the revenue assessed by the Government on each estate, and upon what principles?—Generally it was assessed in Bengal with reference to what the Government had received in the preceding year. In a very few cases only was there anything like an accurate ascertainment of the assets, or of the amount justly demandable from the subordinate tenantry.

2581. Has

2581. Has not that necessarily led to very great irregularity?—It led to the greatest possible inequality, and left everything in a state of utter darkness and confusion.

2582. Is it known at all upon what principle the zemindars regulate the rate of rent paid by the tenants, in those cases in which the ryots do not hold at known fixed rates?—The course pursued when fixed rates are not observed, nor the rule of dividing the grain produce applied, is so irregular and arbitrary, that one can scarcely say any principle is adhered to, excepting that they are more or less guided by usage and by the rates paid for similar lands. Generally they take what they can get, without any very distinct understanding of the grounds of their demand.

2583. Do they receive their rents generally in money, or in produce, or in labour? In Bengal generally in money. Indeed throughout the country money rents are most prevalent.

2584. Is it known in what portions it is paid; is it paid half-yearly or quarterly? It is generally paid by ten instalments, which are well known; but the number and proportionate amount vary according to the crops and to local usage.

2585. In what currency is the rent paid?—Generally in the sicca rupee, in which the government revenue is paid; but in some districts old rupees are still current, and a portion of the ryots' rents paid in them.

2586. Are there different rupees known and recognized in Bengal?—Various sorts of rupees used to circulate; and until the year 1773 the rupees coined by our government bore different impressions, and varied in value according to the time they had been in circulation. In that year it was resolved that all rupees coined in future should have the same impression, purporting to be struck in the 19th year of the reign of Shah Alum.

2587. From that time has the currency been fixed at the current rate?—From that time the sicca rupee has been the standard of value in Bengal; but its exclusive currency was not finally provided for until the rules specified in Regulation XXXV. of 1793 were passed. In Benares and the Western Provinces the Furruckabad rupee is the current coin: but on the subject of the currency I beg to refer to the evidence already given in the Finance department.

2588. Would it be practicable to make treaties with the native princes to desist from coining, so that the same currency, though British, might be established throughout India?—The point has been discussed in Bengal, but the impression was, they would be exceedingly averse to such a measure, great importance being attached to the privilege of coining.

2589. In the case of rents falling into arrear, what means are adopted by Government for realizing them?—In the permanently settled districts the general practice, when arrears are due from proprietors, is merely to give notice of sale.

2590. Is the person of the proprietor liable to be arrested?—Not in the permanently settled districts, until after the sale, and a failure to realize the rent, which rarely if ever occurs.

2591. May notice of sale be given if the rent has been in arrear for one month? —Yes.

2592. When

18 April 1832.

Holt Mackenzie, Esq.

2592. When the permanent settlement was first adopted, were not the powers of Government, in recovering rent from the zemindar, far greater than the zemindar possessed in recovering rent of the ryot?—Yes; the powers of Government appear to have been much more effectual than those possessed by the zemindars, till the passing of Regulation VII. 1799.

2593. What was the effect of the difference of power possessed by the one and the other?—The general effect was that large sums remained due to the zemindars by their tenantry, and very extensive sales took place in consequence of their failing to make good the amount of the government demand upon them.

2594. What alteration was made with respect to the power of the zemindar in enforcing his rent?—By Regulation XXXV. of 1795, he was enabled to enforce his demand against the property of his tenant, notwithstanding the latter might sue to contest it; and by Regulation VII. of 1799, he obtained a more summary power of distraint and process against the persons of alleged defaulters.

2595. What has been the effect of that summary power in the hands of the zemindar; has it been found to be oppressive to the ryots?—Yes; it has generally been so stated, and it has been in some respects modified by Regulation V. of 1812.

2596. Has it been much complained of by the cultivators?—I believe it has.

2597. Is there reason to believe that the rajah of Burdwan, who pays the large sum you have stated in a former answer as rent, was ever imprisoned as a defaulter? —I am not aware of the fact, and I do not think it likely to have happened after the permanent settlement: at least, since 1794 defaulting proprietors in Bengal have been liable to confinement only after sale of their estate.

2598. It has been stated to the Committee that estates have been advertised for sale to a much greater extent than sales have actually been effected; can you inform the Committee what is the real proportion between the one and the other?— I cannot speak to the point from memory; but the Committee can readily obtain the reports which are annually furnished, showing the revenue of the estates advertised and that of those sold. The actual sales bear a very small proportion to the advertisements. In several districts, owing to repeated advertisements, it will appear as if every estate had been advertised for sale, while very few are actually sold. In the district of Midnapoor, for instance, I think it has sometimes happened that the revenue of estates advertised for sale has been stated at nearly 60 lacs of rupees, the whole revenue being only about 15, while the revenue of the estates actually sold has been only a few thousand rupees.

2599. Is the number of estates actually sold of late years much less than those sold in the early years of the permanent settlement?—Yes; they are now comparatively rare.

2600. Have the goodness to look at that account [*handing a paper to the witness*]; is that a correct account?—I have no doubt it is.

2601. What number of estates appear to have been put up for sale in Bengal of late years?—This statement I imagine includes the whole of the Presidency, and is not confined to Bengal; but the greatest number of estates sold are in the permanently settled districts, the Government having of late years prohibited sales in the other districts without express sanction, and they are now very few.

2602. Does

18 April 1832.

Holt Mackenzie, Esq.

2602. Does it appear in 1824-25 the number of estates actually sold was 276?
--Yes.

2603. And in 1821-22, 396?—Yes; and in 1822-23, only 197.

2604. Can you recollect the proportion those bear to the number of estates sold at the beginning of this century?—No, I cannot.

2605. In the event of land being sold for the arrears of the revenue, in what way does the collector proceed to bring it to sale?—At the time appointed he holds an auction.

2606. Do you know what period of indulgence is given to defaulters before a sale takes place?—There is always a month after the advertisement.

2607. Is it known what previous warning he has before the sale is advertised; how long the arrear must exist before he has notice that the land will be sold on account of it?—It depends in some degree upon the discretion of the collector; but generally the notice is issued immediately the arrear accrues.

2608. Is it known what class of persons generally become the purchasers?—No; but I believe that it is not confined to any particular class.

2609. Do the revenue officers purchase estates now, or are they prohibited purchasing?—They are prohibited; but how far the prohibition is effectual it is difficult to say.

2610. Is there reason to believe that the sales are conducted properly, and that there is no view to the private advantage of the persons connected with the sale?—I believe they are now generally conducted with fairness; but there were at one time great abuses in the Western Provinces.

2611. Previously to the regulation to which you have alluded, by which persons connected with the collection of the revenue are prohibited purchasing lands, was not there reason to believe collusive sales were sometimes effected?—I am not aware whether such was the case; for the prohibition has existed in Bengal certainly since 1793, and I believe previously, being extended to the other provinces with the first regulations that authorized sales. The difficulty is to ascertain how far the prohibition has been effectual; for, notwithstanding the law, many estates appear at one time to have been abusively purchased by the native officers in the Western Provinces, who took advantage of the ignorance of the people.

2612. What is known of the value of land by the year's purchase in Bengal or Benares, where the permanent settlement exists, as far as can be judged of by sales that take place?—The sale statements are good for nothing as evidence of the proportion between the rent and the purchase-money, because the only thing stated in them, in regard to the property sold, is the amount of revenue payable to Government, to which the net rental bears no regular proportion.

2613. Is the amount of the net rental a thing that can hardly be ascertained?—It can only be ascertained by attaching the estate, and making the collection upon the ryotwar system; or by getting, what are seldom obtained, the real accounts. But I can furnish the Committee with a statement, exhibiting, in respect to a certain number of estates, taken indiscriminately from those under the Court of Wards, the rent obtained from farmers on account of the proprietors, contrasted with the government revenue, which shows that the former was more than double the latter.

2614. In

18 April 1832.

Holt Mackenzie, Esq.

2614. In what district was that?—The estates belonged to various districts of Bengal.

2615. Is it known to what extent the zemindars are in the habit of farming out their estates to middle-men?—Not I apprehend with any accuracy; there is no restriction in this respect.

2616. Is it known for what length of time they let leases to middle-men?—I do not know that we have any certain means of information on that point.

2617. Do leases for lives or for years prevail?—Generally for a term of years. There was at one time a rule that leases should not be granted for a period exceeding ten years; but that restriction has been removed in the permanently settled districts.

2618. Is there any reason to believe that those sub-tenants are more severe upon the cultivators than the zemindars?—I do not think we have any sufficient proof of that. I ought to mention a tenure which now prevails, especially in the estates of the Burdwan rajah, and is denominated a patnee talook; it is a perpetual heritable and transferable lease, granted at a fixed rent, subject to conditions nearly similar to those under which the zemindar holds of government; the reserved rent being however considerably in excess of the government revenue. Under this tenure the rajah is understood to have disposed of almost his entire estate, and the lessees, who are called patneedars, have sublet to others called dur patneedars, who hold parcels of the original talook, with an advance of rent, but otherwise on the same conditions; these again similarly sublet the lands held by them, or rather the rent thereof; and so, through several successive gradations, to the renter of a single village or less. The same system has extended to other zemindaries, and has been made the subject of a distinct Regulation, viz. VIII. of 1819.

2619. Do those persons who successively derive a profit-rent reside on the land, or do they reside in the towns or in Calcutta?—The lowest class, who actually collect from the cultivators, generally, I believe, reside upon the land: the superior tenures are held by various classes; some I have known living in Calcutta and in other towns.

2620. Have the powers of the collectors, in enforcing the collection of the revenue, or in deciding disputed cases respecting it, been increased since the original establishment in 1793?—In respect to the collection of the revenue the following changes have been made since 1793: collectors are now authorized (subject to the orders of the Board of Commissioners) to sell for arrears on any instalment within the year; whereas originally, excepting when specially ordered by Government, sales were only made for arrears remaining due at the close of the year, and then with the sanction of Government. Sales might be stopped on the suit of a defaulter contesting the demand; now the sale proceeds at the discretion of the revenue authorities, the zemindar having his remedy by a suit to set it aside if illegal. On the other hand, process against the person of a zemindar in Bengal has ceased. The powers of the collectors in deciding cases have been considerably increased: in all the districts to which the regulations extend they are now authorized to decide summary suits regarding rents, when referred to them by the courts, whereas they formerly only reported on such cases, the decision resting with the judge. In making settlements of estates not permanently assessed, they are empowered (subject

18 April 1832.

Holt Mackenzie, Esq.

ject to a regular suit in court) to decide all cases arising between the government engagers and those holding under them, and generally disputes regarding the possession of land and the rents of it: and it is competent to the Governor-general (by a special order in council) to vest any collector with similar powers within such limits as may be judged proper. They have also obtained enlarged powers of inquiry and decision in regard to rent-free lands, and touching forfeitures for illicit dealings in spirituous liquors and intoxicating drugs.

2621. What class of cases come before them; are they cases between the ryots and the zemindars?—Generally disputes between the cultivators and the zemindars.

2622. As the collector can only demand of the zemindar a fixed sum, it would not appear that the Government has any direct interest whatever in the dispute, which is at variance with the object of seeing the cultivator placed in as good a situation as possible. Does it appear there is any objection to the entrusting the collector with those powers, on account of the duty he has in collecting the revenue?—That is certainly true in the permanently settled districts; and in the unsettled districts there are stronger reasons, I think, for giving the decision of such cases to the revenue authorities, who shall decide what the government demand shall be.

2623. Have the collectors the power of acting as magistrates in the district?—They had magisterial powers in several districts when I was in India, and since then I understand that the two offices have been more extensively united.

2624. Are those powers recently granted?—Yes. The system has been gradually introduced into Bengal, from the necessity of relieving the judges. The judicial duty in the permanently settled districts is very heavy; the collector's comparatively light; so that when the latter was a good man, and not fully occupied with revenue business, it appeared advantageous that he should undertake the magisterial duty.

2625. Has much benefit been found to result from it?—I am not able to say with certainty; I do not think that the plan has been sufficiently tried.

2626. Do you think that the condition of the cultivators has improved, in your recollection, in the country over which the permanent settlement prevails?—I have not been sufficiently in the interior to speak with confidence on that point.

2627. Is the cultivation of the land supposed to have improved since the permanent settlement?—I should say rather extended than improved; it has very greatly extended. I am not aware of any essential improvement, but I believe in some cases there has been improvement

2628. Are there any documents that would show the rent of the zemindar in 1793, when the permanent settlement was made, and what it is now?—No, none.

2629. Do you think the Government have been losers by the establishment of the permanent settlement: do you think, if, instead of adopting that mode, they had had an accurate survey and valuation of the land, and had collected it either upon the village system or the ryotwar system, that the amount of rent would have been greater than it is?—I should imagine that the amount of government rent might have been double what it is now, under a good system of temporary but long leases.

2630. Do

18 April 1832.

Holt Mackenzie, Esq.

2630. Do you think that the cultivators would have been in equally as good a condition as now?—I should think, if the settlement had been made upon good principles, they would have been in a better state than they are now.

2631. The only difference is, the persons now living upon profit-rent would not have existed; do they exercise a beneficial influence in Bengal, or otherwise?—I think very little. Indeed I am not aware of their being of any use; and although it is of use there should be persons in all countries who accumulate money, I am disposed to think that the aggregate accumulation might have been greater than it is, and that the mass of the people would have been happier.

2632. Are they a class of persons who assist to uphold the Government, or do they embarrass the Government?—I am not aware of their doing anything directly to uphold the Government; the indirect effect of a large body interested in maintaining the existing state of things may be considerable. But they still generally, I fear, dislike and fear us; and they certainly embarrass the Government whenever they think their own interests are likely to be affected by its acts. Thus they are very much averse to any inquisitions into their collections from their tenants, and set themselves to baffle the Government in all attempts made to discover the actual condition and rights of the great body of the people, though such attempts be professedly and actually directed to the better administration of justice. They appear to have been very successful in their resistance to all such measures, and so far have been, I think, very mischievous.

2633. They stand between the Government and the people, so as to prevent the Government coming in actual contact with the real cultivators of the land?—Yes.

2634. And that to the disadvantage of the community at large?—Yes, I think so; and even to their own disadvantage. But of course, in speaking of the state of things that would have existed had there been no permanent settlement, I suppose good management, and especially moderation, on the part of Government. It is a separate question whether the Government might not have been tempted to have been more severe than the zemindars have been.

2635. Do the lands sold for arrears for the most part produce the amount of revenue claimed by the Government; do they generally fetch their full value, as far as their value can be known?—There are very few instances in which permanently settled estates do not sell for more than the arrear, excepting occasionally land that has suffered from diluvion or some accident of that kind, and a few estates that may have been originally over-assessed; but such cases are quite exceptions to the general rule. Ordinarily the value of the estates is far beyond the government demand; and I have no reason to believe that in the Lower Provinces the people do not get their value at the public sales.

2636. Where the khoodkasht ryots exist, and where their rights are protected, are there any instances of their accumulating capital to any extent?—I cannot say that I know of any such instances; but I have always understood that in the vicinity of Calcutta the khoodkasht ryots, who are protected, are in better circumstances than the general body of their class, and have the appearance of comfort as if they had accumulated stock. In Behar and Benares, too, the petty zemindars, who might be called khoodkasht cultivators, are said to have frequently considerable substance.

2637. What

2637. What provision was made in the permanent settlement with regard to lands not brought into cultivation; were they supposed to belong to the zemindaries in which they were included, or did the Government retain the right to demand the rent?—All that were included within the limits of any zemindary were given up to the zemindar, or person who contracted for the government rent.

2638. Was there reason to believe that any considerable portion of concealed land existed, which in reality was held free of any charge whatever?—Yes; there are lands to a great extent held by persons claiming the free enjoyment of the government revenue, under charters of special exemption or assignment, of which no complete record has ever been made: there is also much land held by zemindars in excess of what appears in the records of the settlement, in some cases many entire villages; but as the statements then prepared of the extent of zemindaries was professedly quite inaccurate, one cannot say with precision whether such excess was concealed or not.

2639. Was an attempt made in 1828 to obtain rent from the rent-free lands?—There was then a regulation (Reg. III. 1828) passed with a view of prosecuting the investigation of the titles of persons claiming rent-free lands, and the resumption and assessment of such as were held under invalid tenures, more successfully than had been previously done: but the same tenures had been the subject of several preceding laws, and the object was to enforce, though by a different agency, rights that were understood to belong and had been reserved to the Government under the rules of 1793.

2640. Was the attempt successful?—I believe the amount of revenue obtained has not been very large; but before I left India a good many cases had been decided, some for Government and some against it; statements were regularly furnished, which will be found upon the public records.

2641. Was it resisted by the zemindars?—It was petitioned against; I am not aware of its being otherwise resisted.

2642. Do you happen to recollect what was the detailed provision of the regulation; in what way the collector was directed to set about accomplishing the object?—The chief provision of the regulation of 1828 was the establishing of special commissioners in lieu of the ordinary courts. The proceedings of collectors had been previously the subject of successive regulations, which it may be right I should briefly notice. By the rules of 1793 they were required to proceed by suit in court, as plaintiffs, against any person supposed to hold rent-free land without a valid tenure. In 1811 (Reg. VIII.), collectors in the Ceded and Conquered Provinces were authorized, with the sanction of the revenue board, to resume and assess such lands, leaving parties aggrieved to contest the resumption by a suit in court. the same rule was subsequently extended to Cuttack in 1813 (Reg. V.), and to Benares and Behar and several of the Bengal districts in 1817 (Regs. XI. & XXI.) In 1819 a regulation (II.) was passed, providing rules for the conduct of the collectors' proceedings, with the view of giving them judicial precision, and authorizing the revenue boards to decide in regard to rent-free lands, in all the provinces, their liability to assessment or otherwise; with this provision in cases in which the board decided for resumption, that if the party gave security for the payment of the revenue eventually demandable, he might not only contest the judgment of the board

18 April 1832.

Holt Mackenzie, Esq.

board by a suit in court, but stay the resumption until the suit was decided. By the rules of 1828, on the other hand, the collectors of districts in which special commissioners were substituted for the courts, were authorized to give effect to their decisions when they might declare lands liable to assessment; the commissioners having the power of confirming or reversing or altering the order of the collector in cases appealed to them, and of staying the execution of it.

2643. Is not the Company exposed to considerable risk of loss under the permanent settlement; in the case of lands being overflowed by rivers, or injured by accident, does not the loss necessarily fall on the Government; would not a deduction take place on that account from the charge made on the zemindar?—There have been abatements given in some cases, but they are only given when it is supposed that the zemindar's loss has been so great as to render him unable to pay the assessment; so long as he continues able to pay it, he has no claim to an abatement, taking indeed the estate for better or worse. The cases that have occurred are chiefly, I imagine, on the banks of the great rivers, which frequently destroy and create extensive tracts; but so long as the loss does not incapacitate the zemindar for paying the fixed revenue of his estate, or cause him to ask for a new settlement, no abatement is made, and the amount of revenue lost by such causes has not been considerable.

2644. It appears upon the accounts that there has been an increase in the revenue produced under the permanent settlement, between 1790–1 and 1801–2; is it known in what way that increase had arisen?—The particulars are all minutely detailed in the statements that are annually furnished to Government by the revenue accountant, and transmitted home; by an examination of the records every alteration in the government rent-roll might be ascertained. The causes of increase that immediately occur to me are, first, the progressive increase that was in some cases demanded in the decennial settlement, which ended in 1800; secondly, the re settlement of lands held in farm; thirdly, the assessment of estates held rent-free under invalid or temporary tenures. In Behar especially, extensive jaghires, which are life tenures, have fallen in, and everywhere the same thing has happened; or rent-free lands, held without a valid title, have been resumed either under decrees of court, or in la er times by an order of the revenue authorities, or subsequently to 1828 by a judgment of the special commission. In some cases, too, as in the Sunderbunds to the south of Calcutta, waste lands, not included within any zemindaries, have been assessed and added to the public rent-roll.

2645. Are many of the zemindaries now, in consequence of the descent of property from father to sons, held jointly?—I believe a great many.

2646. Does that circumstance produce inconvenience to the Government, or difficulty in the collection of the revenue, or does it lead to sales?—It sometimes leads to sales, and there are cases of considerable individual hardship; but the process for recovering arrears being the sale of the estate, which is not barred by any private disputes, it cannot be said to occasion inconvenience to the Government.

2647. Supposing that of the different persons holding in joint-tenancy, one wishes to take advantage of the others, and to bring about a sale in which he may perhaps be able to purchase the other lots, is he able, by letting his own portion run

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in arrear, to force such a sale, or would only his own portion be sold?—It is competent to any co-sharer to apply for separate possession and assessment of the portion belonging to him, and after such application to save himself from the consequences of an arrear on the joint estate, by paying a proportionate revenue; but so long as the estate is held jointly, and there has been no application for a separation, the Government looks to the whole as responsible for the aggregate demand, without any reference to the parties to whom it may belong; and in such circumstances one parcener might force a sale unless the others made good the amount due from him.

2648. Was this mode of subdividing zemindaries known in India previous to the permanent settlement?—I believe that there was no such regular system of separation previously to the permanent settlement. In some cases a zemindaree seems to have been regarded as an office, generally of little value. In others there appears to have prevailed a special custom of primogeniture; and although the general system was to recognize the property as hereditary and divisible, yet under short leases divisions could scarcely be made pending a settlement.

2649. Are there many districts in which the right of primogeniture is supposed to prevail?—I believe it prevailed in regard to some estates in all the provinces, but is now confined to certain extensive zemindaries on the Western frontier of Bengal and Behar, where the zemindars are the descendants of old rajahs, who were never wholly subdued by the governments that preceded us. In cases in which it had been adopted from considerations merely of financial convenience, the custom was abolished by the rules of 1793.

2650. According to the regulations, upon each transfer or each subdivision of the zemindary, are not the different owners required by the regulations to register their separate possessions, so that the name of each proprietor shall be known and recorded?—Yes.

2651. Is there reason to believe that that regulation is not obeyed?—Subdivisions, with a separate allotment of the government demand, must be recorded, otherwise successions often take place without registry; and the people frequently use fictitious names. In Bengal, indeed, we inquire very little into the actual state of possession, looking merely to the estate as our security.

2652. What object have they in concealing the names?—It does not occur to me that there is now any sufficient motive.

2653. Does it obstruct the process of sale?—No, it does not.

2654. You would not know whom to give notice to?—We give notice upon the spot, in the name of the person who stands recorded upon our books. But the concealment of their names may enable them to escape some responsibility for offences against the police, or for failure to afford the aid required in the march of troops. It is however probably to be ascribed to habits of old date, and cannot altogether be accounted for now on any reasonable ground.

2655. Is there not a portion of the Ceded and Conquered Provinces in which a temporary settlement, resembling in its details the operation of the permanent settlement, though made only for three years, has been established?—Many estates in the Western Provinces have been settled upon the zemindary system; that is to say, with

18 April 1832.

Holt Mackenzie, Esq.

with middle-men contracting for the revenue of large tracts, with tenantry under them, being owners of the land cultivated by them.

2656. What districts do you allude to?—There are hardly any of the Regulation districts entirely free of it, except Bundlecund, in which it is understood that the whole of the land was held by communities of village zemindars, themselves cultivating their fields, and accounting to Government through their head-men; and even there, from the effect of our sales, (many villages having been sold for the default of the head-men,) there are many cases in which the contractors for the revenue now claim a zemindary interest in the sense of the Bengal code. In all the other Regulation districts there were when we got the country, and now are, certain portions held of Government by tenures resembling closely the zemindaree of Bengal: but in the Western Provinces the holder of such a tenure is often called a talookdar, and there prevail extensively communities of village zemindars or yeomen cultivating the land, which they own either in severalty or in joint-tenancy; such communities sometimes paying their revenue to Government through a head-man or representative, and sometimes through a superior zemindar or talookdar. In the Delhi territory the system of settlement with the village communities through their head-men has generally prevailed, and there there have been no sales for arrears of revenue.

2657. The Committee are informed, in the districts about Bareilly, and the neighbouring districts, leases for three years were granted to persons called zemindars, and instances occurred of rent running in arrear in that short period, and of sales having taken place of some beneficial interest that the zemindar under those circumstances was supposed to possess; are you aware of it?—Such sales took place extensively in many of the districts; and in all, more or less, in which the printed regulations were in force. The tenure sold was sometimes the same with that of the Bengal zemindars. In other cases the persons recorded as responsible for the government revenue clearly stood forward as the mere representatives of a community. In some, though standing in that relation originally, they contrived to secure for themselves exclusively the profit arising out of the settlement with Government; and generally, though there might be some co-parceners, the two or three who came forward had their names recorded by our collectors, and stood upon the government books as if they were the only zemindars, while they were merely members of a large community, having equal rights.

2658. Whenever they fell in arrear, you sold them all?—Nobody can tell what was sold in such cases. It is a puzzle to this day to say what was sold.

2659. What state of things has been produced by those proceedings?—Great confusion has resulted; the purchasers generally claiming to have acquired a complete property in the villages sold, according to the Bengal rules relative to joint estates; and I am afraid that the same thing has occurred in Behar, and still more in Benares, where there are many village communities of whom the persons who appeared upon our books were the mere representatives. Mr. Duncan, indeed, prepared special rules for Benares that ought to have preserved the inferior holders; but unhappily his system was confounded very much with the Bengal system; and I believe that the courts have ruled that the sale of a village for government arrears due

18 April 1832.

Holt Mackenzie, Esq.

due by one recorded as a proprietor, absolutely conveyed to the purchaser all the rights of property in that village.

2660. What has been the effect of this?—Infinite mischief. Greater injustice indeed no Government ever inflicted upon a country.

2661. Are any measures now in operation to remedy that evil?—It has long been an object with the revenue authorities to remedy the evil, as far as could be done by arrangements within their competence. The process of sale has nearly been abandoned in the Western Provinces; and in 1821 a special commission was appointed, with large powers, to enable them to set aside the sales that had occurred, and to define the rights of all persons and classes in the villages sold. Latterly the same power has been extended to the revenue commissioners; and it was intended to form a settlement that should proceed upon a detailed census, specifying the name of every person in each village, with the rights possessed or claimed by him; to be followed by a field measurement, and the allotment to each person, with a separate assessment, of the several fields belonging to him. The arrangement, in short, was designed to define the rights of all, as well as to adjust and fix on fair principles the rent payable to the Government. The commissioners were authorized to set aside sales in all cases of hardship, giving due compensation to *bonâ fide* purchasers for what they had bought; and in cases of illegal or fraudulent sales, of which there were many, the purchasers being government officers, they were empowered to set them aside without compensation. I believe extensive relief has been afforded by the operation of that law.

2662. Has care been taken not to put any person in the situation of zemindar, by which those evils may recur?—It was specifically provided that the rights of all should be ascertained, and that the parties now admitted to engagements should be recorded in their real characters, so that the precise nature and extent of the interest belonging to them should appear. This may, I trust, without any great difficulty, though with much labour, be done, where the government assessment is still variable: and the great objection to the permanent settlement is its tendency to perpetuate uncertainty as to the rights attaching to the land, which can only, I conceive, be clearly ascertained and recorded by a measurement and inquiry as to property, conducted field by field.

2663. Were there not some newly-acquired territories on the coast to the south of Chittagong, and those provinces acquired from the Burman empire, brought under the dominion of the Company?—The whole of Arracan has been brought under the dominion of the Company.

2664. Was not there an attempt made to introduce the permanent settlement into those newly-acquired territories?—Not a permanent settlement. There was, however, an extraordinary attempt made by the local commissioners to establish the zemindary tenure and Bengal system; but the moment the Government learned it, they gave directions to annul the whole arrangement.

2665. In what way did that attempt arise?—It arose I believe chiefly from the circumstance of the principle officer employed having been secretary to the board of revenue, and being full of fancies without knowledge.

2666. Has not a system been resorted to recently, with a view to remedy some of the inconveniences that have been found to result from the permanent settlement, of

18 April 1832.

Holt Mackenzie, Esq.

of purchasing the zemindaries that have been offered to sale by the Government?—The Court of Directors have desired that it should be done, but I am not aware that in the permanently settled districts of Bengal it has been done to any extent worth mentioning. There have been a few cases in which the Government have bought estates after they had been sold to individuals, with the view of restoring and making a settlement with the original owners; the immediate object being to afford relief from a great hardship, and to repress disorder. But while I was in India I do not remember any purchase having been made on the principle stated in the question. Probably more peremptory orders have reached India since I left it, but I am not acquainted with their operation.

2667. Do you know upon what footing the collection of the revenue has been placed in those zemindaries that have been purchased by the Government?—The estates I referred to were in the province of Benares, which were purchased by the Government from the persons who had themselves acquired them at public sales, in order to make a settlement with the village zemindars.

2668. Do you distinguish between the village zemindars and any other zemindars?—The term village zemindars is generally used to distinguish a very numerous class of persons in the Western Provinces, often associated in large communities, forming, so to speak, the yeomanry of the country; who ordinarily own and cultivate a large portion of the land belonging to the villages in which they reside, and also claim a right, corporate or several, in all lands not appropriated to the use of others, comprised within the limits of the village territory.

2669. In the districts in which the ryotwar system has been established has land anything than can be called a saleable value; have the ryots any interest in it of so beneficial a nature that they could sell it?—I am not aware of any ryotwar settlement in Bengal, properly so speaking. I have already mentioned the case of the ryots in the Twenty-four Pergunnahs and in the Western Provinces; where the cultivating zemindars have had the benefit of a settlement with Government, there are many cases in which the property of the individuals is of value. The precise value of course depends upon the amount of the government assessment.

2670. Does it depend also upon the degree in which the government assessment has been less than the amount which they might have obtained if they had not granted a permanent interest to the zemindar, and if they had taken all that the cultivators could have spared, leaving the zemindar only the tenth supposed to be assigned to him?—The assignment of a tenth is in a great degree nominal, even in the case of contractors for the government revenue; and in the case of a joint settlement with the village zemindars, as the whole amount of the government demand is distributed among them, there is, properly speaking, no such allowance given to any one, each paying the quota revenue and expenses chargeable on his own fields. The usual process is for the village managers to collect the rents payable by the contract cultivators, and to apply the amount to the liquidation of the government demand, as far as it will go; and then the remainder of the government demand, and of the village expenses, is distributed among the cultivating zemindars, usually in proportion to the extent of land owned or cultivated by each, calculated either by the beegahs it contains or the ploughs it requires to till it; sometimes in proportion to the estimated value of the crops grown, and

sometimes

18 April 1832.

Holt Mackenzie, Esq.

sometimes in other ways established by the old custom of the place. It frequently happens that the amount payable by the village zemindars in this way is less than that demanded from contract cultivators, and that they have consequently a valuable property in their fields; but under our temporary settlements I do not imagine they are saleable. In the permanently settled districts of Behar and Benares, in cases in which the communities of village zemindars prevail, the individual owners are I believe often able to sell their property for a considerable sum, or to let it for a rent much beyond the amount paid by them to Government; and as such persons stand very much in the place of those who in Bengal have been called khoodkasht ryots, a system which secures them in their several holdings might in so far be termed ryotwar. In fact, the distinction between the khoodkasht ryots of Bengal and many of the village zemindars of the West may perhaps be mainly attributed to this, that the latter belong to communities sufficiently strong to maintain the aggregate demand of Government upon their several villages as the basis of individual assessment, and to establish a right of property in the lands, their villages, corporate or separate, independently of cultivation; whereas in Bengal, partly from the physical circumstances of the country, and partly from the want of vigour in the people, the property of the khoodkasht ryots is limited to individual fields, and each remains separately responsible for the full government revenue, notwithstanding the limitation of its demand upon the persons who have entered into immediate engagements with it. Where, consequently, the amount demandable by the latter has been left unsettled, the ryots of the Lower Provinces are left just as if the permanent settlement had never taken place, if not in a worse condition.

2671. What steps could be taken that would have the effect of restoring to the cultivators in Bengal the rights and advantages they appear in many cases to have lost, in consequence of the permanent settlement in Bengal?—It is very difficult to say what can be done; my own persuasion is that nothing will answer the purpose short of a ryotwar assessment, to be made by officers of government on behalf of the zemindars; and besides the practical difficulties of executing the work, there is some difficulty as to the principle to be followed. In cases in which it may appear that the legal demand of the zemindar is such as to leave a valuable property to the ryot, the object will be accomplished by the full ascertainment and due record of the fact; but in other, probably in the majority of cases, I am afraid it may be found that in strictness the legal demand of the zemindar is such as, if actually enforced, would leave the ryots' rights of occupancy of no value; for the rates nominally existing will often be found excessive if applied to the land accurately measured; and in the absence of established money rates, the ordinary measure of the government revenue is stated at one half of the gross produce, which I apprehend would generally swallow up all rent. Now, subject to certain conditions, the contract of the Government with the zemindar assigns to him the right of levying the full demand that it could itself have justly collected, and without any such obligation as attaches to the Government of considering the general good, and as makes it our duty to restrict our demand within the legal limit, so as to be consistent with the existence of private property and the improved comfort of the people. Thus, the rule authorizing the exchequer to take as revenue one half of the produce, which in the hands of Government is in a great manner nominal, (for in

18 April 1832.

Holt Mackenzie, Esq.

in the unsettled districts we do not, I believe, on an average get more than one-fourth), becomes in the hands of its assignees, the zemindars or revenue contractors, a real measure of demand: and those persons, in a great part of the permanently settled districts, have therefore the power of destroying the property of the inferior, just as in the unsettled districts Government may, and sometimes does, destroy the property of the cultivating zemindars by an excessive demand. For I conceive that, taking the general average of the country, if more than a third be taken by Government, there can be no private property in the land; that is to say, no rent.

2672. So that in that case the zemindar would have no beneficial interest?—Nothing beyond the profits of tillage, excepting parties who might have some special allowances assigned to them, and the owners of particular estates who might be favoured. Of course different lands will bear very different proportions, but speaking generally, I should infer that the legal demand of one half does in fact entitle the Government (as far as a government can have a title inconsistent with the general good), and it also therefore entitles the government assignee, to destroy all private property.

2673. Would you found upon that state of things a right to interfere between the zemindar and the ryot?—The right of interference is clear, and has indeed been specifically reserved; and in many cases, I doubt not, the rules against arbitrary enhancement of rent would enable us, in making a settlement with the ryots, unquestionably to restrict the zemindar's demand within such bounds as would leave the former a property of value in their fields. But in other cases the question will arise how far, the Government having assigned to the zemindars a right which if strictly enforced will swallow up the property of the inferior tenantry, we can now come and proceed on general principles to limit that right. If done without their consent, we must, I apprehend, interfere by a new law, and be prepared to give the zemindars compensation, or allow a reduction of revenue. The difficulties of the case appear abundantly to evince the inexpediency of assigning to individuals such rights as belong to Government over the landed property of the country, previously to a settlement, without seeing clearly what they are and by whom to be enjoyed: and were there no difficulties of principle, still the practical difficulty of adjusting the relation of the zemindar and ryot, after an assignment to the former of all that he can gain by destroying the property of the latter, must be of the most serious nature.

2674. What is the value of land by year's purchase in Bengal, estimated by the zemindar's net profit, and what is it in the Western Districts?—In Bengal I believe generally it varies from 16 to 20 years' purchase upon the net income.

2675. Is it easy to ascertain what the zemindar's net income has been, when the lands are put up to sale?—No, there is no information on that point obtained when estates are sold for arrears. The rate at which lands are purchased can only be ascertained from the general information the natives give as to what they consider a good return for their money, or from the sale of estates of which the collections may have been made directly by government officers from the cultivators, or in regard to which particular circumstances may have afforded the means of making a tolerably

10 April 1832.

Holt Mackenzie, Esq.

a tolerably near estimate of the amount of the gross rental, and consequently of the net rent, after deducting the government quit-rent.

2676. Can you institute any comparison between the quit-rent and the net income, in the old provinces of Bengal and in the Western Districts?—No, I cannot with any pretence to precision; but in the Western Provinces I believe the net rent left to individuals to be much less than in Bengal. In some places little if any thing is left; in other cases, as has appeared, particularly in regard to some of the estates which have been restored to the old proprietors under the operation of Regulation No. I. of 1821, there has remained a considerable rental after providing for the government revenue. The prices paid at public or private sales form no just criterion of the net rental; for these must be comparatively trifling so long as the settlements are for short periods.

2677. Is there anything in the circumstances of the land revenue in Bengal, which holds out a reasonable expectation of its increasing in any way?—Taking the whole country, there still remains a great deal of land to be brought into cultivation; and other things being favourable, an increase may be expected from that source.

2678. Is that land all included within known zemindaries?—In general it is so, and in the permanently settled districts the increase must go to the zemindars; but there are also considerable tracts not included within the limits of any zemindaree: for instance, in the near vicinity of Calcutta there is the tract of country called the Sunderbunds, which may ultimately prove productive, and which is at the disposal of the government. There is also much land held free of assessment, under titles stated to rest upon special grants; and if the government could resume all the land so illegally held, a considerable addition might be made to the revenue. In the Western Provinces, though there has been a great extension of cultivation since we acquired them, there still remains much land to be brought into cultivation, the whole of which may be assessed, if cultivated, on any fresh settlement of the country.

2679. Is there such an increase of population in the country as to make it likely that large tracts will be brought into cultivation?—The progress of cultivation since 1803 in the unsettled districts has been very great, and population I have no doubt has kept pace with it. Between Allahabad and Cawnpore, for instance, most men who traversed the country before the cession, speak of the existence of extensive jungle or forest where the country is now in a beautiful state of cultivation, and so throughout most of the Dooab. In the district of Gorukpoor, too, the progress of cultivation has been equally extensive; but that country having been ruined by the Oude governments before we got it, there was a still wider field for improvement, and there there is a good deal of land still to be brought into cultivation, as there is in the northern part of Rohilcund and in the Upper Dooab below the hills.

2680. Is there not great room for improvement in the implements of husbandry?—Yes, I should think so, and still more by additional irrigation. In many places now cultivated with dry crops either wells may be dug or watercourses led, and an immediate change made from very poor to very valuable produce. A considerable tract of country on the east and west of the river Jumna is traversed by canals, which

18 April 1832.

Holt Mackenzie, Esq.

which the Government have recently opened, and which run for about 120 miles. The land on both sides, to a considerable extent, will be brought into fine cultivation, and on the whole, as population increases, tillage may be expected to extend, and the government rent to increase. But, on the other hand, there has been a tendency in prices to fall of late years; and in so far as that has arisen from a diminished supply of silver, which has been complained of, I am not able to say whether it is likely to be permanent or temporary. If permanent, it must necessarily affect the money amount of the government revenue in the unsettled districts at least.

2681. Do you think that the great apparent fall in prices that has taken place throughout the whole of the East is to be attributed to the want of silver?—I think, in our Western Provinces, the fall of prices is probably owing to a diminished supply of silver, because they had been gradually rising till of late years; and I do not see immediately any other cause of the change. In our more recent acquisitions the fall of prices is probably in a great measure occasioned by a temporary glut, which seems generally to have followed the activity of agricultural industry, outstripping the accumulation of commercial capital and the demand of the growing population.

2682. Do you conceive that the fall in prices can have been in any degree the effect of a change in the course of trade between India and Europe, by the diminished export of Indian produce and manufactures, and a corresponding diminution of the import of the precious metals into that country?—The balance of trade has considerably altered, and the net import of the precious metals into India has been less of late years than it was, while at the same time the transactions requiring their use have probably been enlarged. I should think, therefore, that prices in India must have been affected by the course of trade, though we still import silver to a large amount, taking the whole world over.

Lunæ, 7° die Maii, 1832.

The Right Hon. Thomas Frankland Lewis, in the Chair.

HENRY NEWNHAM, Esq., called in and examined.

7 May 1832.

Henry Newnham, Esq.

2683. Have you ever held the situation of collector in India?—Three times. I have been employed as acting collector of Allyghur, of Cawnpoor, and of Furruckabad, at intervals of several years; secretary to the Board of Commissioners; and a member of the Board of Revenue, Western Provinces; and one of the commissioners under the new system. I arrived in India in September 1803, and left it in January 1831.

2684. Were you employed in those provinces when they were first ceded?—No; very soon afterwards. In 1808 I went into the Ceded and Conquered Provinces.

2685. What

2685. What were the steps that were taken for the collection of the land revenues in those provinces?—The appointment of collectors and commissioned tehsildars in the first instance; regulations were subsequently published, I believe. I was not employed in any distinct office there until 1810.

2686. On what footing was the collection of the revenues in those provinces in 1810?—They were collected by tehsildars, upon salary and not upon commission; the same system as regards the revenue, only that the officers were differently paid.

2687. Did the tehsildars collect the revenues in detail from the ryots, or was there any intermediate person between them?—There were the sudder malgoozars, such as the zemindars and farmers of revenue, and other intermediate persons.

2688. What class of persons do you allude to in using the word farmer?—Farmer is a substitute for the zemindar.

2689. Does he contract to farm the revenue?—He contracts with Government to farm the revenue.

2690. And to collect it in the same way as the zemindar usually does?—Yes; himself taking as his profit the difference between what he pays the Government and what is paid to him.

2691. Were they left entirely to the exercise of their own discretion in collecting the revenue from the ryots. Did they decide for themselves what portion they would take, and from what land it should be taken?—I fancy they took the utmost that the ryot would consent to give; but then comes the great question, whether they were not bound to assess the tax or the revenue according to specific conditions and terms.

2692. Were there rights and privileges possessed by the different cultivators in the villages, which the farmer in the collection of the revenue was bound to recognize and to uphold?—I should think certainly so, according to the custom of the country.

2693. Do you entertain any doubt that those rights did exist, and were recognized under the native powers before the provinces were ceded to us?—They were fully recognized, but that they were adhered to in practice by the officers of the native government was not probably always the case; they were often invaded, and that led to the abuses by the farmers of revenue under the native government.

2694. Were the native cultivators on the same footing with regard to the payment of land revenue when under the Mussulman government, as they were previous to the Mussulman conquest, and when they were under their original native princes?—No; I should think they were placed in a different situation, that they had a greater latitude and freedom under their own government than they had under the Mussulman government, and that the Mussulmans took as much as they could (that is in the best times of the Mussulman government) consistently with the welfare of the people. But when you come to taking a half of the produce, the question is, a half of what? it is only a half of the corn produce, not of what is supposed the general produce of the country; and in the corn produce, I fancy it is more than a half; because the cultivator is liable not only to the demand of government, but he is also liable to what you may call the parish-rate, or the village expenses incurred in collection and management.

2695. Do

7 May 1832.

Henry Newnham, Esq.

2695. Do you mean that he is now liable?—He is now liable. The way the accounts of the village collection are kept shows that there is one head for the demand of the State; then next comes the expenses of the village; and then there are the expenses of the putwarry, or the clerk of the village.

2696. What has come to your knowledge respecting the situation in which the cultivators were under their native princes; is there any tradition upon that subject?—There is a great deal of tradition, and no great deal of historical writing upon the matter; there has been so much discussion and debate upon it, that it is very difficult to elicit what is exactly correct and clear; but looking at the old established and populous villages, one finds men who have come down by general acknowledgment and their own, from time immemorial, generation after generation, who have stood in times of difficulty firm to the village, whilst the zemindars have been in a state of perpetual change; and their being so constantly resident, their digging wells and watercourses, planting trees, and cultivating the same fields from father to son, shows that they have a claim upon the soil, stronger probably than any other claim that exists in the country; and as far as I know, from the general opinion of the agricultural population, I believe that the right of the ryot is the greatest right in the country; but it is an untransferable right; I do not believe that the ryot himself can transfer it, or that the Government can transfer it; which gives the ryot the advantage, that in case of his being pressed beyond justice, he leaves his lands uncultivated, and at whatever time he pleases he can go back and reclaim the lands, and ryots holding them will always resign those lands to him at whatever time he may return. This right never seems to die.

2697. Have instances of that kind come to your knowledge in your experience?—Certainly; the right has been admitted by all ryots; they themselves maintain, that directly the heir of an absconded ryot or the absconded ryot himself returns, all he has to do is to come to a compromise for the crop on the ground, and the land is restored to him immediately.

2698. Did there exist local knowledge as to the extent of the land possessed by each ryot, and were there recorded surveys of it and valuations of the land?—Yes, in the village books in which the engagements or pottahs are recorded; and these books exhibit the extent of lands cultivated by each ryot, the amount of revenue demanded, the actual payments, and indeed all particulars of the year's transactions.

2699. What description of pottahs do you allude to; by whom were they granted?—Granted or rather adjusted by the men collecting the revenue, whether zemindar or farmer.

2700. For what length of time were they usually granted?—Generally by the year, and sometimes for more, what they call Mooqururee, and go on from year to year.

2701. Do you think that the rights of the cultivators are less secure and less efficiently preserved to them now than they were under their native princes?—They have never been acknowledged by the British, and the law does not recognize them; and I believe most gentlemen of the service hardly admit that they have any rights.

2702. Do you think that the natives themselves regard the zemindar in the same position that we do and have done in our management of those provinces; do the natives

natives consider that he is entitled to the rights and privileges, and is bound to discharge the duties which we expect of him?—I do not know that in regard to the zemindaree, there is such a thing as an unreserved right, for under the Mussulmân government the tenure seems to have been in reservation to the power of the monarch, or held of him. But the word zemindar is applied to such a variety of persons that it is very difficult indeed to answer that question. The village zemindar, who possesses what they call the Beswah, or the twentieth part, certainly comes very near to the proprietor; but even this right is with reservation to the right of the hereditary ryot; he cannot oust the ryot from his possession, and, speaking more generally on the zemindaree, I think it is something more than a duty and something less than a right of property; you may call it a hereditary interest, for he certainly has during his lease a very direct claim upon the waste and on whatever may not be included in the engagement of Government or alienated by grant. The tree, for instance, that grows upon the waste becomes his, as lord of the manor.

2703 Have the village zemindars you are now describing any land allotted to them in right of their office, in addition to the share which they take as the revenue collectors?—That is more a matter in the present time, I think, of arrangement than of any specific acknowledgment, for the English officer, in forming the settlement, will give a deduction in money; the village zemindar, on the contrary, in forming his own settlement with the ryots, finds his profit or convenience by his own land being either made liable to a very small tax or being altogether free from tax.

2704. In the collection of the land revenue in the Ceded Provinces, when they first came into our hands, by what rule did the collectors ascertain the amount of the claim which they were to make in the different districts; was there an accurate survey or valuation?—There was no survey of any kind in the first commencement of the British rule. The first measure of the British collectors was an adjustment of accounts with the officers of the Nuwab of Lucnow, which exhibited in detail the estates or villages; and their demands on the country, corroborated by the records of the canoongoes, formed, I believe, the basis of the first triennial settlement which was made for the country.

2705. Did they grant leases for three years?—Yes.

2706. In granting those leases did they create any new rights in the persons to whom they were granted?—I should think not by the lease. A proclamation of Government was issued, recognizing as proprietors the zemindars.

2707. In each district was there a zemindar at the time of those leases being granted?—Those who came forward as zemindars were recognized as zemindars; and in the villages in which zemindars had not been forthcoming, or withheld from engagement, agreements were made with farmers who had power of collection.

2708. What inducement could any person who was a zemindar have for not coming forward?—Because he had the responsibility of a revenue without any profit, where the assessment was too high.

2709. In the provinces which were ceded to us, was the assessment generally too high, or was it fair and moderate?—I should think throughout the territory of Ulmas Alla Khan it was as high as it well could be with any sort of justice; he was a skilful

7 May 1832.

Henry Newnham, Esq.

a skilful but greedy officer of revenue; and our great mistake was, that when we entered we levied an increase upon his settlements.

2710. To what extent did we attempt to levy an increase?—I do not immediately recollect, but there was a considerable increase.

2711. Has any reduction since taken place?—No. I fancy the gross demand has been on the increase generally; but the component fluctuations are so great, that it is very difficult to answer that question.

2712. Is the assessment an even one, or is it unequal in the different provinces?—I should think very unequal, even at this present time, and always has been.

2713. Under the leases that you have described, what means are taken to enforce the payment, if a lessee falls in arrear?—There is, first, a process against the person, a process against personal property, and a process of sale against the defaulter's land.

2714. Where the leases are of so short a duration as three years, what interest can a lessee have which is of a saleable character?—The priority of engagement is given to the zemindar; and the purchaser of even a losing village has profited on a revision of the engagement. The sale by regulation transferred the immediate property of the lessee (if zemindar), such as his orchard, as well as the lease or right of collection.

2715. Have many sales taken place?—I believe nearly the whole country has been sold, or a very great proportion of it.

2716. Of the Ceded Districts?—Yes.

2717. Will you have the goodness to state what proportion has been actually sold, distinguishing between such properties as have been sold, and those which have been put up to sale only?—It will be impossible to give an accurate reply to that question from memory.

2718. Have you made any approximation to a correct answer?—No; the quantum of lands actually sold in each district varies considerably.

2719. Has the half been sold, or a third, or what portion?—In some cases the lands have fallen back again into the hands of the original proprietors, particularly when the purchase was made by government, so that it would be hardly possible to answer; but I think that in Cawnpoor there has been one-half.

2720. To what class of persons have they been sold?—Chiefly the native officers of government became purchasers, or the persons who were acting for the native officers of government. The rajah of Benares purchased very largely in Allahabad, where his representatives or agents were employed as tehsildars or native officers.

2721. Have those purchases been interfered with, or have they been confirmed?—I believe they have chiefly been upset by the commission appointed under Regulation I. of 1821.

2722. Are the sales thought to have been imperfect and incorrect?—Yes, fraudulent sales, in most cases.

2723. In cases in which portions of those districts have been actually sold, have the rights of the ryots been interfered with?—I do not believe that we have upheld the rights of the ryots in any part; we have hardly yet acknowledged that they have any rights; and the purchasers of lands have, throughout the country, left the ryots without profits, and often forced them from the lands.

2724. Was

7 May 1832.

Henry Newnham, Esq.

2724. Was there not a promise understood to have been made on the part of the Government, that the permanent settlement should be established in those districts on the same footing that it was established upon at Bengal?—Yes.

2725. What, in your opinion, would be the effect of confirming that promise; would it be advantageous to the ryots, or advantageous to the zemindars, or to any class of persons whatever?—In estates of considerable profit, by leaving the demand upon the ryot unlimited, the zemindar would profit very largely.

2726. What would be the effect in districts in which the assessment was so high that it could scarcely be realized?—In those villages where the rent was too high, the people would be very glad of the promise not having been maintained.

2727. Are the Committee to conclude that the only persons that could benefit by the confirmation of this promise would be the zemindars in those districts in which the assessment was modelled and could be collected; but that even in those districts the cultivators generally would not be gainers by the confirmation of this promise?—Not gainers under the general regulations. The ryots would be so far gainers, that necessity not pressing on a zemindar, he would have no ostensible reason for pressing too hard upon his ryots. In some of the villages there is a very great feeling between an hereditary village zemindar and his ryots, so that I believe a great number of the zemindars would apportion their demand upon the ryots according to the terms demanded from them by Government. In all other cases the zemindars would alone be benefited.

2728. What is the actual condition of the ryots in those countries; have they sufficient capital to cultivate their own lands, or are they forced to borrow it?—I fear that borrowed capital is the general character of the ryot; but where he is in full possession of his rights and privileges, and has security, there you will find that capital in his possession, and it is shown both in his own comforts and in the goodness of his farming stock: for instance, there is a material difference between a man ploughing with a pair of half-starved, inferior sized bullocks, which are probably not worth eight rupees the pair, and another man ploughing with a pair of fine bullocks, for which he gives from 20 to 25 rupees each.

2729. Does the system prevail in that district which has been alluded to before the Committee under the name of Tuccavy, an advance of money on the part of the Government out of the collector's chest, in maintenance of the cultivation of the ryot?—That has lately been put a stop to by the Government.

2730. Was it liable to much abuse?—I think it was liable to some abuse; but of course where there is distress by season and assessment, it is an aid that may be absolutely necessary for Government to afford, and if it is not done where there is distress, the village must become deserted.

2731. Is the produce of land from season and other causes much more uncertain and variable in those districts than it is in Europe?—I could not say with reference to Europe, for I know very little about it; but in a village that is well managed, and has its proper agricultural stock, the year of less production throughout the country is considered the year of profit to the cultivator. In the years of abundant crops and cheapness, the revenue is often tardily discharged.

2732. Can that be so, except an allowance is made to the ryot in proportion to the deficiency of the crop?—I suppose the price compensates. In the deficiency of

7 May 1832.

Henry Newnham, Esq.

of the crop below an average one, the price increases in a ratio beyond the proportion of the deficiency of crop.

2733. Does the value of land vary so considerably that it would be safe for a cultivator to undertake for a period of 20 years to pay a fixed money rent, except he was sure that deductions would be made to him, if very great deficiency of produce should occur?—Yes, if the demand was fixed according to his own fair valuation and estimate of the ability of the fields under him, and at the same time an estimate that other people would consider fair on the part of the Government, and made upon some intelligible basis.

2734. Under the native powers, do you think that there was generally an adjustment from year to year?—The rates were generally fixed on crops and soils, and that on village crops varied from year to year; in some years a greater proportion of revenue was collected by an estimate of the crop, or by a division of the crop, than in others.

2735. Since the provinces, to which you have alluded came under the government of the Company, has the general condition of the ryots, and the general cultivation of the country, improved?—I should say, that the cultivation had very greatly improved; but I am not satisfied that the condition of the ryot, as far as his own homestead or farming stock, is much improved.

2736. When ceded to us, had not the country been desolated by wars?—It had been desolated by wars, and it was very generally thrown out of cultivation. There were many causes probably which led to that state; one cannot say that one cause operated more than another.

2737. Has the zemindar any such property in land as ever induces him to invest capital in the improvement of it. Are there any instances of a zemindar building houses for the ryots, or advancing money for irrigation or fencing?—Many persons advocate the zemindary cause by alleging outlay of capital, but it is seldom more than a mere current loan, repayable at a very high interest, or, which is worse, the repayment in commodity at a very much lower price than the market price; but as for any permanent outlay of capital in digging wells and making tanks, I fear that there are very few instances of the zemindars laying out capital in that way; the great improvements in the country take place from the junction of the ryots in different labours, at least I have seen them making bunds across rivers, sinking wells, making watercourses from tanks, or collections of water, and undertaking many important works of that kind.

2738. Do you entertain any doubt that if the assessment was moderate, and the ryot was secure in the possession of his land, provided only that he paid a fair and moderate assessment charged upon it, improvements such as you have described would be carried to a considerable extent, far greater than they are at present?—I consider myself the security of the ryot to be indispensable to the general prosperity of the country.

2739. What steps could be taken, in your view, in the Ceded and Conquered Provinces, which would tend to increase the security of the ryot?—The granting of pottahs by government to each hereditary ryot, and giving him a fair assessment.

2740. How would you ascertain the value of his land, so as to enable persons on the part of the Government to know that the assessment was a fair one for both parties?

7 May 1832.

Henry Newnham, Esq.

parties?—That depends a great deal upon what the Government will be content with. While the Government are urgent for increase of revenue, and apparently exciting their officers to assist in the augmentation of their resources, the collector probably has not that latitude that he might have; but an assessment made with reference to the established rates of the country, or to some of the rules which the ryots recognize, and secured to them by pottah, would, I think, lead to an immense increase of production; for when the ryots are secured in their possession, most trivial things induce a greater produce: for instance, in the hot weather we are liable to occasional north-westers, and to showers of rain; the ryot being secured in the possession of his lands, and knowing that he holds on a fixed money rate, he ploughs his land, and the benefit resulting from one ploughing at that time is thought to be equal to one coat of manure. Now if he is not secured in his possession, as the engagement usually does not commence till the period of the rainy season, he will not plough his field at that time when it is so important.

2741. What steps do you think most desirable to be taken for advancing the general interest of the community in the Ceded and Conquered Provinces, as far as the collection of the land revenue is concerned?—Supposing the tenure of the ryot as to his hereditary possession, to be admitted, then a pottah granted upon the rates considered equitable or proved to have been long established, would meet the object intended in the question.

2742. What steps would you take for ascertaining the quantity and quality of the land occupied by each ryot, so as to enable you to charge him with a fair rent?—That should be the business of the collectors, who have the assistance of native officers of different capacities. The accounts of former years are a guide to the quantity and quality of soil, and when both parties, the government officer and ryot, are disposed to an equitable agreement, the adjustment of a fair rent of the field is not a subject of so much perplexity and difficulty as generally represented, from the extreme minuteness of the detail.

2743. Would a new and general survey of the land be necessary?—If you want the whole country surveyed and mapped; the measurements otherwise, according to the native mode, is quite sufficient. The dealing of the Government with the ryot should be upon the principle of liberality, and not too strict an inquiry into the minutiæ of his returns and fields.

2744. Should the pottah or lease to be granted to the ryot emanate from the collector on the part of Government, or would it be safe to permit it to originate with the zemindar or farmer?—I think it is not very material, so that the pottah is recognized by Government and is maintained by the officers of Government; probably there would be a feeling of greater respectability if the pottah were executed by the officer of Government; however, I am not altogether very clear about that, for the great security for the ryot was in times past the accounts of the putwarry, in which the operations of the village were recorded; and the pottahs inserted in that record were quite a sufficient guarantee, in former days, of the ryots against the oppression of the zemindar, when the Government held a strong hand over all classes.

2745. If the system were adopted, do you think it would have a tendency to impede the introduction of more valuable crops, if any such could be found.. Would the

7 May 1832.

Henry Newnham, Esq.

the cultivation of indigo, or the cultivation of sugar, be checked by it?—No; on the contrary, such cultivation would be advanced, for you have only to insure a profit to the cultivator, whatever may be the crop, and the cultivation will be undertaken; for instance, that of the potato, in which, extraordinary as it may appear, the first experiments by the Europeans failed, but those by the natives were successful. The cultivation of the potato has been carried, or is now in the district of Furruckabad carried, to an extent that is scarcely to be believed. I may state, as an example in proof, that the fine class of cultivators alluded to grow on the same land a crop of indigo, which they cut early in the rains, and then prepare the lands for potatoes, and that the two crops will give a return of about 87 rupees per common beegah of the country; but that the rent which they can afford from such a produce is not more than four rupees, or four rupees eight annas a beegah; the produce of indigo and potatoes being pressed by an expensive cultivation, whether as regards labour, or the manure employed. I think the men I now allude to would do anything possible in respect to cultivation; they are a particular class of people. They will give any price for the manure from the stable; it is with the greatest difficulty that people in the town keep manure from them. As another instance, I might mention in the pergunnah of Jelaysir in Allyghur, on the ryots being satisfied of their security, by the execution of pottahs on the part of Government, they had resolved to introduce and were introducing the cultivation of sugar-cane, although the general opinion was, that sugar-cane had never been cultivated in the pergunnah previously, in consequence of the great disposition of the soil to produce the white ant, which is very destructive to the sugar-cane.

Jovis, 10° die Maii, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS in the Chair.

HENRY NEWNHAM, Esq. called in and further examined.

10 May 1832.

Henry Newnham, Esq.

2746. FROM your knowledge of the state of the Ceded and Conquered Provinces, do you think it likely that the amount of land revenue collected will increase or decrease under the present system of management?—The present management, I conclude, alludes to the settlement now in progress, which is a settlement by a very detailed inquiry into the state of the ryots, and the various dealings and rights in the villages. From the results which have already appeared in the proceedings of the collectors, I should be disposed to think that there will be considerable increase and considerable decrease in the assessments of the several villages; but upon the whole revenue of the country some small increase may appear; and this result will ensue from raising the rates of land in villages held in joint-tenancy throughout the country.

2747. Do you apprehend that there has been much land, the existence of which was concealed from the collectors, and which will be brought to charge by the inquiries

10 May 1832.

Henry Newnham, Esq.

inquiries that are now making. Is that one of the sources from which an increase of revenue will take place?—I am inclined to believe that the quantity of suppressed villages is altogether over estimated; but when inquiry into the lands of the villages which already stand upon the rent-roll may be extensively effected, the excess of land which may be found by measurement will not produce that increase of revenue which is anticipated. The ryot, in paying the fixed rates of the Mahomedan government, particularly on inferior soils, frequently evaded any over-demand by diminishing the numerical amount of beegahs in his possession; and in such case, although an excess of land by measurement may appear, an equal increase of revenue will not be obtained. In endeavouring to obtain an additional revenue in such cases, and particularly on inferior soils, the ryots are alarmed, and often great injury is done by a forced demand of revenue from bad land. I have often had reason to think that it would be politic not to assess the poor soils, upon which return is uncertain.

2748. Do you think that any increase of revenue, to a considerable extent, will arise from fresh lands being brought into cultivation?—The general character of the lands now remaining waste is, I think, of a sterile nature; and not having been cultivated in time past, it is probable that the cultivation will not be effected in time to come. The quantity of land absolutely sterile, though recorded in the accounts as waste, is in a proportion that probably is not understood by those who at a distance have to overlook and judge on the proceedings of collectors.

2749. What proportion in the Ceded and Conquered Provinces does the sterile and unimprovable land bear to that which is cultivated?—In some of the finest villages there are no improvable uncultivated lands remaining, but in other villages whole tracts of land (under the denomination of Oosur, Shoor, Bullooa, Pauper, and other terms), some producing probably a little grass for the cattle during the rains, are entirely unfitted for all agricultural purposes, or even for the growth of wood; nothing grows on others. These tracts intersect the cultivated land.

2750. Does that arise from the sterility of the soil, or from want of water?—From the sterility of the soil; there are many sterile soils. There is the pauper, which is a small coat of soil above a substratum of sand: bullooa is a yellow sand; oosur is a soil which seems not to have the power of absorbing water; shoor is a soil combined with some salt, which is prejudicial to vegetation. There is another soil, called scijjee, in which soda effloresces, and renders the whole surface white; and there are many other soils, the names of which I can hardly recollect. There is one, teekoor, which is a clay soil, and which, when the sun acts upon it after rain, becomes like so many tiles.

2751. Have you anything to add with respect to concealed land?—With respect to the concealment of whole villages, or parts of villages, in the Ceded and Conquered Districts, I am inclined to suppose that abuses ought not to exist, and do not to any extent exist; for the records of the Canoongo office are in the Western Provinces nearly complete. And although by the alterations which have occurred in the boundaries of one village with another, the total of lands in each village, as stated in those records, may not exactly tally with the present quantity of land by measurement in such village, yet the total lands and total of villages in each pergunnah will be found, on future inquiry, stated with tolerable correctness, or with

that

19 May 1832.

Henry Newnham, Esq.

that degree of correctness which may be sufficient to Government in the general protection of its interests.

2752. Have the persons who raise the revenue for the Government shown any great averseness to having the exact state of their villages known?—Much so, when the avowed object of the collector's inquiry has been increase of revenue; but when the people are satisfied that the inquiry is to lead to a fair and general adjustment of all interests and rights connected with the land, the aversion is not maintained. Although opposition might be in the first instance evinced, after a time, when satisfied as to the collector's object, the people would rather have the investigation than otherwise.

2753. Does an accurate examination into the quantity of land, and into its value, tend to put all parties connected with the payment of the revenue in a better situation, as well those who farm the revenue, as those who cultivate the land?—With the reservation that the settlement is intended to be a fair one, it certainly does; but then there is also ascertainment and record of the rights of all the people who have land, which is excluded from the assessment of Government, and the people enjoying those rights are generally influential persons, from religion or from service to the village. That is a very considerable portion of land

2754. Be so good as to explain to the Committee the nature and extent of those rights?—It is usual in the revenue accounts of the former government to find the revenue or jumma, and the ruckbah or lands, stated in totals; and the detail of money and land is to be found in the village accounts. Lands given by the Government, as maaffee lands given to priests, devotees, and temples, by the proprietors or zemindars, with the sanction of the local officers of government, denominated milkeu; the mango orchards planted by the inhabitants; lands held in service, such as the barber, the blacksmith, the watchman; places of burial and burning, the site of the houses, and several other spots, all come under the head of deductions, and are excluded from the assessment of Government and control of the zemindar.

2755. Are the rights of those persons invariably preserved under all the different systems that have been adopted for the collection of the revenue; or have they in any case been infringed upon by auction-sales?—I fear they have been frequently infringed; but they maintain themselves, in spite of every thing, in a great degree.

2756. If trees are planted in the land, in whom is the right of the trees?—In the planter: but as soon as the tree is removed, then the land reverts to the zemindar.

2757. In cases where sales by auction have taken place on account of the default of payment of the revenue, when the land is sold, is the right of the planter in the tree preserved, or have they been known to lose it?—Where the planter of the tree was in no way connected with the management of the village, the sale did not lead to any interference with the tree; but where the tree belonged to the defaulter, although situated within his own mango orchard, the sale for arrears of revenue was considered to transfer property in the tree.

2758. Have any instances come to your knowledge in which two sets of accounts were kept by the persons employed in collecting the revenue, and in which private accounts of their own were known to differ from those produced to the Government?

ment?—The practice of showing false accounts to the collectors is very general, and has arisen from the British having considered the village accountant to be the servant of the zemindar or farmer, and not the public servant of the village and Government; but the false accounts are easily, by inquiry on the spot, distinguished from the true ones, by any one acquainted with the several checks. No landholder is ever imposed on by false accounts.

2759. When lands are put up to public sale, is the sale always fairly conducted, or have you ever known secret arrangements which have enabled particular individuals to become purchasers?—I cannot say that I ever witnessed any, for I never sold but one village during my whole residence. I have heard of numerous collusive sales of the nature indicated.

2760. Is the sale of one of those districts always productive of very great inconvenience and injury to the persons residing within the district?—No one, in my opinion, can at all comprehend the numerous evils that arise from sales; it upsets every relation in the village, and by disturbing all interests and the course of dealings, is probably one of the great causes which have induced that quantity of litigation which has been considered to attach rather to the character of the people than to arise from the regulations by which we have ruled them.

2761. What mode do you think could safely be resorted to for compelling the payment of rent suffered to be run in arrear, if the sales were discontinued or less frequently resorted to?—In the Western Provinces, where the collectors are allowed a native establishment for the purpose of realizing the revenue, the demand of Government is so contemporaneous with the collection in the village, that embezzlement is usually prevented. Under the permanent settlement, where there is no establishment allowed, sales of land are the only means of enforcing arrears; generally speaking, during the last six or seven years sales have fallen into disuse in the Western Provinces, and in cases of arrear, the circumstances of the default, if originating from over-assessment or calamity, have been reported, and correspondent relief given by Government in remission; and in some cases, the defaulter's lands have been farmed.

2762. Is the Government sufficiently informed with respect to the extent and the value of the land within those districts, to make it safe to grant leases for such long periods as twelve years?—Where the revised settlement has been conducted by officers of competent ability. However, the great evil is, that too much is demanded rather than too little, and wherever too much is demanded, there a failure must ensue.

2763. Are the rents paid by the cultivators to the farmers in money or in kind?—There are two principal distinctions in crops, one called zubtee, such as sugar-cane, carrots, tobacco, and several other articles, which have always been and can only be liable to a money-rate; and the other, umlee, on crops such as wheat, barley, Indian corn, &c., although in these money-rates are usually prevalent. A portion of them in each village is still collected by estimate and division; but the tendency of the periodical settlements is to introduce money-rates to a greater extent than they before have existed.

2764. Is the government rent ultimately paid by the farmer to the collector in money?—Always in money.

2765. In

10 May 1832.

Henry Newnham, Esq.

2765. In what way does the farmer convert the produce that he receives into money?—One of the servants of the village is the weighman, and through his instrumentality the farmer easily effects the sale of the corn, which is made over to him, to the Bunneeah or the neighbouring merchant.

2766. Are the districts into which the country is divided for the purpose of the collection of the revenue, conveniently arranged; are they of even size, or do they differ much in size?—Upon the principle of extending the European agency, the districts as first established at the cession have been divided into smaller portions, but in consequence of the difficulty of forming the detailed settlement directed by Government, the lesser jurisdictions appear to have had little other effect upon the country than insuring in some degree a more punctual realization of the revenue; but it is apprehended that by the multiplying establishments the increase of expense to Government has been very considerable; however, in saying that punctual realization of the revenue has resulted from multiplying offices superintended by English gentlemen, I must except the state of Bundlecund, which probably exemplifies the absolute necessity of fixing an equitable demand upon the country. The settlement formed by Mr. Wauchope in 1809 and 1810, though at a very considerable increase, was punctually realized, and the cultivation was considered to be progressive. A further settlement was made, on the revocation of permanency, by Mr. Waring, which, founded upon the basis of the utmost which speculators would give, has ultimately tended to throw this fine province, in which the better kind of cotton is grown, into a state of confusion and decay. It has within a few years been subdivided into two collectorships, and portions of each of those collectorships have been committed to subordinate officers; but it seems, as far as my information goes, that the injury of over-demand has been so great, that the deterioration has continued, although every means by remissions of revenue have been taken by Government to prevent further injury. It would be possibly unfair to exclusively ascribe this to the personal conduct of the officers; for it must be recollected that the settlement was made when the idea in India was that cotton could be so cheaply grown as to undersell America. The result of this speculation has been that there is not, with the exception of the Honourable Company's factory at Calpee, a single screw of the European merchants occupied within the provinces, and a decrease in the price of cotton from 18 to 10 rupees a maund must of course have influenced in a great degree the ability of the ryots to make good the demand against them. In the same way the indigo trade throughout the Upper Provinces has fluctuated; and two such articles as indigo and cotton suffering a great depreciation in price, must have a wide and direct effect upon the state of the cultivators.

2767. It has been stated by Mr. Mill and by other persons who have been examined, who were acquainted with the proceedings of the Company, that directions have been given and the utmost anxiety been expressed on the part of the Company, that a moderate assessment of land revenue should prevail, and that in every case in which over-assessment was found to exist, or even supposed to exist, liberal abatement should be made, and this under a conviction that nothing tended so much to diminish the revenue to be collected for the Company as over-assessment; and that on that account, as well as from a sincere wish that the cultivating ryots should always be in a comfortable position and be kindly treated in every

case,

case, a moderate demand should be made. Will you have the goodness to explain to the Committee how it is, that if that is the rule which prevails and which is laid down, and generally understood to be insisted upon on the part of the Company, such instances can occur as those which you have described to exist?—The settlements I alluded to in Bundlecund were, I think, previous to the declarations of the Court, above noticed; but even with those declarations of the Court, it is extremely difficult for the local European officers to be themselves satisfied of the sincerity of these intentions, and much more so to create confidence in the minds of the natives. I am disposed to think that these views of the Court have not been followed up in the most strenuous manner by the Government of India; for I would point the attention of the Committee to a Statement, denominated (A), which Government requires every collector to prepare, as explanatory of the propriety of the assessment formed by him; and I think the inquiry which is directed into the produce of the different kinds of cultivation, would, if practicable, convey to every mind the idea that the Government itself, instead of desiring moderation, is rather cautiously looking towards the conduct of their officers, in respect to their obtaining as much revenue as possible, or if not, giving the superintending authorities the opportunity of detecting any remissness.

2768. Be so good as to describe the statement?—It is a statement that was sent up by the authority of Government, and according to it the revenue officers were to report the detailed settlement, which has been in progress for about ten years.

2769. Is it contained in any Regulation?—It is contained in the orders of Government; it is not in any Regulation; it is a lithographic paper.

2770. What is the date of it?—About five years ago.

2771. Was it possible to obtain the information required by the paper to which you have alluded, to the extent in which it was asked for?—I should say not,—by no means.

2772. What was supposed by the collectors themselves, as well as by the persons from whom the land-rent was collected, to be the object of this inquiry?—To collect the utmost revenue, was the general impression upon us all.

2773. Has it been found practically to have an injurious effect upon the cultivation of the country?—As it was found totally impracticable to prepare the statement on any authentic data, the impression on the country of course has been but small, as a knowledge of this statement is confined to the collectors' offices

2774. Does the unsettled state of property, which you have described to be produced by the sale of land in consequence of the revenue running into arrear, tend to increase crime?—In my opinion, materially so. As commissioner of revenue, I became judge of circuit, and a very great proportion of the crimes, particularly murder and affrays, were directly traceable to the want of proper ascertainment, and recognition, and security to the several tenures and rights within the villages. I would instance a case of a watchman of the village: he had, by consent of the inhabitants, gone to Bundlecund, and after remaining there for two years, returned and reclaimed his hereditary office; this being refused him, he took the opportunity of revenging himself by murdering in open day, and before the inhabitants, several of the children of the village while collected at play. Animosity, originating from disputes regarding lands, descends through generations.

 2775. Has

10 May 1832

Henry Newnham, Esq.

2775. Has decoity or gang-robbery been increased, in consequence of the system that we have resorted to for the collection of the revenue?—So far as the sales have unhinged the combination of society, it has decreased the combination of the people in their own defence.

2776. Would it in your own opinion be desirable, in case of establishing a good system of revenue collection, to leave the whole regulation of the village entirely to some individual, either farmer or other person, who should stand between the Government and the cultivating ryots, and to abstain altogether from any investigation into the actual condition of the ryots on the land that they occupied; or are you of opinion, that in order to secure the welfare of the occupying ryots, it is necessary for the Government to have, through their own agents, direct communication with them?—I should say, decidedly, that the hand of Government must be active in the protection of the cultivating classes, arguing from the mode of government of the Mussulmans; and that at one time was very effectual.

2777. Have you anything to add to what you have already stated?—In my last examination, in speaking of the effect of season on prices, I alluded to the season generally prevalent, and not to particular calamity, such as a hail storm and rust, or other of a limited nature; for in such calamity the ryot will often require to be supported by tuccavy from Government, as under such a confined visitation one or two villages may suffer the entire loss of crop, while the surrounding country is entirely secured from any injury.

MALCOLM LEWIS, Esq. called in and examined.

Malcolm Lewin, Esq.

2778. In what part of India have you resided?—In Malabar and Canara, and a short time in other parts.

2779. In the Revenue department?—In the Revenue department; and I have also been in the Judicial department.

2780. In what way is the land revenue collected in those provinces?—In Malabar and Canara the system is ryotwar.

2781. What system had prevailed previous to the introduction of the ryotwar system?—I believe that in Malabar and Canara they have never had any other system than ryotwar, at least we know of no other. That system was handed down by Tippoo, and I believe it is the original system.

2782. Is it a system precisely similar in its detailed operation to that which Sir Thomas Munro endeavoured to establish, or does it partake at all of a village character?—No, it is quite opposed to a village system. Sir Thomas Munro was collector of Canara in 1800, and he carried on the system in Canara and confirmed it there. That was the original plan, and he took great pains with it there.

2783. Do the native officers exist in that district, and are they employed?—In some parts; but the hereditary officers have become generally obsolete.

2784. Have there been intentionally other persons appointed to do their duties, in order to get rid of them?—I think it is rather accidental than otherwise. I do not imagine that there was any particular intention of destroying the hereditary claim to office; I should rather imagine that the different collectors supposed that they could introduce more efficient officers, and this on experience they found to be the case, and in consequence most of them have disappeared.

2785. Into

2785. Into what subdivisions is a district in Malabar and Canara divided?—In Malabar, into amshums and hoblies; and in Canara, into talooks, moganies, and gaums, or villages; they are called villages; but they do not answer to the term "village," as applied in this country; they are scattered houses.

2786. What do you know by the name "talook?"—Talook is a portion of a province which is placed under the hands of a tehsildar; under his management, he has the revenue and the magisterial jurisdiction of it.

2787. Is the extent and the quality of lands in those districts correctly known?—In Canara the quality of land is understood pretty well in some parts, but not in other parts. In some parts the quality of land is ascertained by actually sowing the seed, and the produce being watched and gathered by government officers, but that is extremely partial; it has been done more by way of experiment than on a large scale.

2788. Is the quantity accurately ascertained?—The quantity in those cases has been, I should imagine, accurately ascertained.

2789. Generally?—Only where the experiment has been made.

2790. If the quantity and the quality are not known, how is the land assessed?—Every field is supposed to produce a certain quantity; it is a sort of system in that country that land has been rated at; so much produce and so much seed. The difficulty is, not knowing the extent of each estate, and the annexation to estates of fields which belonged to other estates.

2791. If the quantity sown upon a given surface is nearly uniform, and the quantity of seed habitually sown upon a given land is ascertained, does not that, in point of fact, amount to a measurement, and is not that a mode by which the quantity is ascertained?—It is generally known what quantity of seed is required to sow each field, and in that way the extent of it is ascertained with sufficient accuracy to enable the Government to assess the land-tax. The ancient accounts which have come into our possession rate the land in that way, as a field sowing so much and gathering so much; but these accounts do not sufficiently describe entire estates, and are frequently not to be depended on.

2792. Has any detailed survey been carried into effect, or been suggested in those cases?—I have been less acquainted with Malabar than Canara. I served for the last few years in Canara. Malabar has been surveyed a good deal, and Canara has been surveyed in some degree.

2793. Is a general survey in progress?—I understand that a general survey is in progress. During the time of my residence in Canara it was frequently recommended; in fact, it was the opinion, I believe, of every public officer resident in Canara, that it was perfectly impossible to arrive at an assessment which was at all just on each estate, without a survey taking place; and I believe those opinions have been expressed by every officer in the district.

2794. And in consequence a survey is in progress?—I cannot state certainly that a survey is in progress, but I believe it is.

2795. Is the assessment of the land higher or lower than it was when it first came into our possession?—I believe that in Malabar it has remained the same, but in Canara it has undoubtedly remained the same. It has been reduced in a few cases where the assessment has been found obviously too high; and in the year

10 May 1832.

Malcolm Lewin, Esq.

year 1820, I think, or 1821, Sir Thomas Munro allowed a very partial change of assessment to take place, formed on an average of past collections, commencing with the period of our getting the rule of Canara; the assessment was formed on an average of 17 years past collections; but that average was not carried to the full extent, it was checked where the average would have been below the shist. The ancient system is called shist and shamul. Shamul means merely an addition; and where the average assessment did not go below the shist, it was allowed to take place; but where it would have invaded the shist, it was not allowed to take place.

2796. Has there been any marked fall in the prices of agricultural produce in the districts of Malabar and Canara of late years?—Very considerable indeed.

2797. Has that produced great difficulty in the collection of the revenue, or have abatements been made?—Abatements have been made from year to year, and abatements are expected by the board of revenue and Government every year. In fact, in the annual report on the assessment report, there is a column into which the amount recommended for abatement is to be inserted. It has produced great difficulty in realizing the assessment.

2798. What has been the amount of the fall in prices, speaking on the average, of short periods?—Not less than 50 per cent., I should think.

2799. To what causes do you attribute that; are they permanent or temporary? —I should think they are permanent. I have expressed that opinion in a report I wrote: they have been declining gradually, and I think that the fluctuation has not been to that extent lately, to admit of the probability that they will rise again.

2800. Are there not some districts that lie to the northward that were supplied with corn from Malabar and Canara?—They are at the present time; but the supply of those northern countries has of late diminished, in consequence, it was supposed, of those countries which formerly received a supply from us having now supplied themselves from a cultivation.

2801. Do you allude to Guzerat and Cutch?—Yes.

2802. In the report you have alluded to, have you stated that, in your opinion, the present assessment has become too high?—Yes; that has been stated by the officers in the district.

2803. What instructions have been issued in consequence of that?—I believe at the time I left India no instructions had been issued.

2804. How long were you in charge of those districts?—I was not in charge of them; I was sub-collector in Canara for five years. I had charge of the northern division of the district.

2805. Had the fall in prices produced a very injurious effect upon the state of the cultivators?—It produced a very extreme condition of poverty, and that rendered necessary unusual advances, called tuccavy, on the part of Government, to enable them to carry on that cultivation. Those advances have latterly increased to such an extent as to almost give an appearance of the Government laying out money by way of investment.

2806. Was interest paid upon them?—I am not quite sure whether interest was demanded or not; but I think not till the period had expired for repayment, if it was not then paid.

2807. What

2807. What are the principal products of the two provinces of Canara and Malabar?—Rice, cocoa-nuts, cardamoms, pepper, sandal-wood and beetle-nut in large quantities.

2808. Are all those commodities productive of land revenue upon the sale of them?—Cardamoms have been considered from time immemorial a royalty; I am speaking of Malabar. In Canara they are the property of the ryot, and are cultivated in common with other garden produce. They are an indigenous mountain produce in Malabar, where, I believe, the only care bestowed on them is burning the trees round them. The Government now derive a revenue on cardamoms in Malabar, through a farmer who engages for the whole produce, paying the mountain proprietor his share of one-half in money, at the price at which he farms the produce from Government. The farmer takes the farm in the aggregate, paying for it at a certain rate per candy, according to the amount of produce he calculates on being able to realize. He sells the produce to the export merchant on the coast. The other commodities mentioned in the question are subject to a duty on exportation, whether by land or sea; and those produced in Balaghaut, to a high halut duty on a high tariff valuation.

2809. Is this the system that we found adopted?—Yes, in part; but it is conducted by us with more rigour than formerly.

2810. What is your opinion of that system; is it a good one or a bad one?—I am not prepared to give an opinion about the system in Malabar. It appears to me in Canara to be like the other part of the system there; it has been found to check production. In the northern part of Canara, above the Ghauts, a disposition has been manifested to abandon garden cultivation.

2811. Have you any means of knowing what advantages the Government derive from their monopoly of cardamoms?—It is beneficial, no doubt, but not to any great degree, from the quantity produced not being very large; they get about 50 per cent. from it.

2812. Is the cultivation of tobacco a monopoly in either of those provinces?—There is no tobacco grown in either one or the other. Canara is supplied almost entirely from Mysore, deriving occasional assistance from the province of Coimbatoor, which supplies Malabar.

2813. Is it a monopoly in Coimbatoor?—I believe it is not a monopoly, except in one kind, namely, in that which is supplied to Malabar.

2814. In what way is the contract for the tobacco grown in Coimbatoor, and sold in Malabar and Canara, disposed of; is it put up to public sale?—It is put up to public sale in Canara; but Malabar is supplied through the collector of Coimbatoor.

2815. Is it by public bidding or tender?—By tender. A proclamation is stuck up about the collector's cutchery, notifying that tenders will be received for the supply of so much tobacco as is supposed to be requisite for the consumption of the season

2816. Who decides, when the sale has taken place, which of the bidders shall have it?—The collector decides in the first instance, subject to the ultimate decision of the Board of Revenue; and the Government considers itself to have the right of rejecting a tender, without stating the grounds on which it acts.

2817. Does it go to the highest bidder?—I cannot speak to that; I am not aware of any person having been rejected.

2818. Is

10 May 1832.

Malcolm Lewin, Esq.

2818. Is there any cotton grown in Malabar and Canara?—It is in very small quantities indeed; but I believe it is wild, almost entirely.

2819. Is the cultivation prohibited?—No, not at all.

2820. Is the country unfavourable to the growth of cotton?—I should imagine that the country is unfavourable to the growth of cotton; that which grows wild is a species useless for purposes of manufacture.

2821. From whence is it supplied with cotton?—From Tinnevelly, Coimbatoor and Mysore, I should imagine; but as there are no manufactures to any extent in either Malabar or Canara, the quantity imported must be small.

2822. Is it free, or is it placed under any regulations?—It is free, but subject to a transit duty of five per cent.

2823. May any person who wishes purchase cotton in Coimbatoor, and sell it in Malabar and Canara?—I fancy so; I am not aware of any obstruction.

2824. In what way are Canara and Malabar supplied with salt?—It is a monopoly. Malabar is supplied by Bombay entirely, it has no manufacture of it; Canara supplies itself, and manufactures the salt by solar evaporation.

2825. Is similar manufacture by solar evaporation prohibited in Malabar?—It is prohibited.

2826. Effectually prohibited?—It is prohibited by the rules of Government, but it does take place, illegally, no doubt; persons supply themselves, notwithstanding the punishments which are held out.

2827. With what duty is it charged?—There is no duty upon it: it is brought chiefly as a ballast in the merchant vessels, and the Company purchase it at Malabar from 20 to 24 rupees per garce, and they now sell it at 105 rupees per garce; the price has lately been raised from 70 to 105 rupees, that is the monopoly price. Canara manufactures its own salt, and it is manufactured by the ryots in their own lands.

2828. Is there any duty charged upon that?—Government purchase it from them at a given price, which averages, I think, 12 or 13 rupees. The price there is very much reduced, in consequence of the land-tax which was on the lands which formed the pans having been lately taken off.

2829. What regulations are established for the sale of salt in Malabar and Canara?—The same regulation applies to both in the sale of salt.

2830. Do the Government sell it openly and in small quantities, or in large?—They sell it in any quantity; the smallest quantity is a marekal, that is a four-hundredth part of a garce.

2831. What proportion does that bear to a bushel?—I should think about a fourth of a bushel.

2832. Is the price much enhanced before it comes to the consumer?—I do not conceive that the price of salt is much enhanced before it comes to the consumer on the coast.

2833. Is it much adulterated before it comes to the consumer?—I should think there is no doubt about that, especially in the inland part of the district.

2834. Is the price of salt considered to be enormous?—Very enormous; it must be, because it leads people, in order to get it without payment, to all sorts of offences; the offences are innumerable which are committed against that regulation.

2835. All

2835. All connected with smuggling of some sort?—The illicit making of it.

2836. Are the punishments for the offences very numerous?—The punishment for offences against the regulation is by way of a civil suit. Suit is filed for the recovery of three times the amount of the value of the salt found, and if the party cannot pay that, imprisonment at the discretion of the judge; they are liable to that; but there is always a fixed period of imprisonment.

2837. Are there very many actions depending in the courts arising out of offences of this description?—Not many actions are brought before the court, because they very frequently happen at so great a distance from the court itself, that the punishment of sending a man there would be considerably more than the offence would warrant; so that the law in nine cases out of ten is quite inoperative; I may say, 99 out of 100. I myself omitted in numberless cases of tobacco and salt, in consequence of the distance; I should have had to send a party 150 or 200 miles, in order to get the fine of half a rupee imposed upon him; there was no immediate jurisdiction.

2838. Has the evil been much increased in consequence of the augmentation of the upset price of salt?—It is felt in the usual way of deteriorating the condition of the poor.

2839. Are you prepared to say what improvements could take place in the supply of salt?—By allowing the manufacture to take place under an excise duty, or allowing it to be imported under a customs' duty.

2840 Not letting the Government interfere in the sale?—Not allowing the Government to interfere in the sale. The Government, by adopting either of those plans, or both conjointly, would certainly save a great expense in the establishment they are obliged to keep up of goolahs where the salt is stored, and a large establishment to protect the manufacture; and although they might lose in one case, which is entirely a suppositious case, they would yet gain sufficient to make up the incidental loss. But I imagine that the salt monopoly is not felt so much in that part of Malabar and Canara which is on the coast, as the tobacco monopoly is felt, which provides a dear and frequently a bad article. The salt monopoly is felt very much in the inland part of the district, where the expense of carriage increases the value so greatly. It requires to carry 105 rupees worth of salt, at the very least, 50 or 60 bullocks; when that is stated, the augmentation of price is evident at once.

2841. Would it not be more advantageous to the Government, and certainly so to the cultivators of land, to do away altogether with the prohibitory monopoly of tobacco, and to permit any cultivator who wished to grow tobacco, provided only that he made known his intention to the collector, and that his lands were assessed with an additional rent corresponding with the additional value of the crop?—I think that mode would be in every respect unobjectionable, and quite consistent with the system of assessment which has prevailed. Were a cultivator now cultivating paddy land to apply to the collector for a given assessment on a piece of land which he contemplated converting into a garden, there would be no difficulty whatever in fixing at once an assessment; cowl would be granted him until the trees which he proposed to plant had begun to bear, and lastly had arrived at maturity, and his assessment would

10 May 1832.

Malcolm Lewin, Esq.

would increase gradually until the trees were in full bearing. The same system would answer for tobacco, which is an expensive cultivation.

2842. Has this system ever been under the consideration of the Government?—I am not aware that it has in Malabar.

2843. Can one individual sell salt to another in those provinces, or must they buy at the bazaar of the district?—They must buy in the first instance from the Company.

2844. Can no individual retail it?—Not unless he has first purchased it from the Company. The owner of the salt-pan who manufactures it would be liable to be punished for touching the salt which he manufactures in his own pan.

2845. Have any disturbances taken place in either of those provinces of late years?—Canara about a year ago was in a state of open insurrection.

2846. From what cause?—From low prices, combined with the monopolies of salt and tobacco.

2847. What steps were taken in order to quell those disturbances?—The collector was changed, inquiries were instituted, and large remissions were made.

2848. Has tranquillity been restored?—I understand so.

2849. Are the people now in a satisfactory state, or are larger remissions still required?—I am not aware what remissions are now required since the reductions which have been made.

2850. Is the collection of the revenue under the ryotwar system very expensive in detail?—No, I think not; very cheap, I should imagine; I believe it is calculated at five per cent., or not even so much; but it would be extremely difficult to make a correct calculation, because the revenue officers and the police officers perform the same duty.

2851. From the experience that you had of collecting the revenue under the system which prevails in Malabar and Canara, do you think it is the best that is in practice?—It seems to be a system peculiarly adapted to that country, which is subject to the influence of seasons more than any other, heavy rains and other causes.

2852. Is there any annual valuation made?—No annual valuation is made throughout the district; the ryot receives a pottah, and he knows what he has to pay according to that pottah, and the Government knows what each land is to pay; but on sufficient cause shown he may obtain, at the annual settlement of his rents, a deduction in the government demand.

2853. Is there any concealed land?—There is in every part of India, I should imagine; but to a very small extent in Canara.

2854. Are there extra cesses?—There are professional taxes; none other that I am aware of.

Martis, 22° die Maii, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS in the Chair.

Lieut.-Colonel WILLIAM COLEBROOKE, Royal Artillery, called in and examined.

2855. THE Committee understand that you have served as a Commissioner of Inquiry in the island of Ceylon?—I have served for nearly two years, engaged in inquiries in the island of Ceylon, as one of His Majesty's Commissioners.

2856. Was your attention directed principally to the collection of revenue for the island of Ceylon?—My instructions required me to enter into the investigation of the whole system of the government of Ceylon in all its departments, civil, military, judicial, revenue, and commercial.

2857. Have you at any period of your life been conversant with the territories of the East-Indies which belong to the East-India Company?—I was employed in different parts of India between the year 1809 and 1820.

2858. In which presidency have you been employed?—In the different presidencies. I served with the Madras army during the disturbances in 1809; with the Bengal and Madras armies in the expedition to Java in 1811; in Upper India during the Pindaree war in 1817, and with the Bombay troops in Western India in 1818 and 1819.

2859. When were you last in Bengal?—I left Bengal in the year 1820.

2860. What effect has, in your opinion, been produced upon the wealth and comfort of the inhabitants of the Lower Provinces of Bengal by the permanent settlement?—So far as my general observations have gone, I think it has tended to the general prosperity of the province of Bengal, but it has operated prejudicially to the ryots.

2861. When you say it has operated beneficially to the wealth of the inhabitants of Bengal, do you mean principally to that class which is recognized as landowners, the zemindars?—I think, by limiting the demand of the Government upon the land, that it has led to the employment of capital, and to the improvement of the resources of the country.

2862. Has cultivation been much extended in the Lower Provinces of Bengal since the permanent settlement?—I believe so; I am speaking generally upon the subject.

2863. Do you think that as large a portion of the value of the produce of the land is extracted from the ryots by the zemindar, as takes place either in Madras or in Ceylon?—I can only answer that question generally, having less detailed information with regard to the condition of the ryots in Bengal than in other parts of India; but I can state that the peasantry in Bengal appear to be very poor, and so are the peasantry under the ryotwar settlement at Madras. Although the Cingalese have suffered from the Government monopolies, from the restrictions on trade,

22 May 1832.

Lieut.-Colonel *Wm. Colebrooke*

trade, and the forced labour exacted from them, I believe that there are no peasantry throughout the territories of the East-India Company who are so much at their ease as are the peasantry of Ceylon, where no zemindary or ryotwarry settlements have been made. I can only attribute this to the circumstance, that the demands of the Government upon the land have been more limited in Ceylon than in any parts of the continent of India, rarely exceeding a tithe of the produce, and sometimes less. I would add, that the general appearance of the peasantry in some native states of Central India that I visited in 1818, indicated that they possessed more comforts, and were altogether in a better condition than the peasantry generally in the Company's territories. I allude to some parts of Bundelcund. Where the native states are not upheld by the British authority, the governments are weak, and the people resist their extortions: under the East-India Company, the people cannot resist or evade the assessments, which are often exorbitantly high.

2864. Is there any reason to believe that the zemindars treat the cultivating ryots with more kindness and more leniency than they are treated in other districts in which they are more immediately dependent on the officers of Government?—In those parts of India where the peasantry are in direct relation with the officers of Government, their connexion must be more with the native than with the European officers; and I should certainly consider that the relation subsisting between any class of native landholders and the peasantry of the country, if not more advantageous to the peasantry, would at least be more congenial than their relation with the native functionaries, who are ordinarily employed in collecting the revenue. From my experience of the class of native officers employed in Ceylon and India in putting in force a strict system of revenue, I should think they are not calculated to make our system popular with the people.

2865. Before the permanent settlement was established in 1793, were the ryots possessed of any rights similar to those which exist in other Hindoo societies, which have not been effectually preserved to them under the regulations of that settlement?—Having no direct information upon the nature of the tenures that subsisted previous to the permanent settlement in Bengal, I could only refer to those works in which I may have taken up the opinions I have formed on that subject. I have understood that a settlement of the lands about Calcutta had been made previous to 1793 upon better principles. My reason for thinking that the ryots suffered under the permanent settlement was, that in other parts of India, where the ancient institutions of the country have been better preserved than in Bengal, the ryots had rights which were as well defined and established as those of the zemindars, and that the settlement had the effect of divesting the ryots of their rights, which the Government afterwards interposed to protect. In some parts of India, where the permanent settlement has not been introduced, the lands are either cultivated in common by the ryots, or possessed by them singly, or by zemindars under various tenures, such as we find them in Ceylon. The lands in the Kandyan provinces of Ceylon, when not freehold, are either tributary to the lord, or to the sovereign, or to the temples. There are many ancient grants, and a title may be now acquired by 10 years' undisturbed possession; it was formerly 30 years. The people clear and cultivate lands, and being willing to place themselves under protection, they hold a sort of fealty to some authority, to whom they render certain contributions

contributions and services. From the prevailing disposition to dedicate their lands to temples, there is a regulation to prevent it without the sanction of the Government. I consider that the ryots are owners of the land, holding under certain chiefs or authorities, and that their rights are therefore the first to claim protection. The Kandyans dispose of these lands by will, and the tenants of the sovereign acquired hereditary titles, on any transfer of his rights of service, or of contribution from the land.

2866. Is not salt produced by the operation of natural causes in the northern parts of Ceylon?—It is on the northern and eastern parts of Ceylon.

2867. Is it of such a quality, and can it be obtained at such a cost, as to make it likely that a profitable export could be made of it to Bengal?—Most unquestionably.

2868. Has at any time such an export taken place?—My impression is, that before the Dutch monopoly was established, the eastern coast of Ceylon must have supplied Bengal with salt. The largest formations are on the eastern coast, at a place called Hambantotte. The ruins of tanks and other works indicate that the district must have been at one time populous; it is now nearly deserted. This district is called the Mahagampatoo, or Province of the Great Town. The situation is exceedingly favourable for exporting of salt to Bengal, and the supply is abundant, of fine quality, and very cheaply procured; it is produced within a few yards of the sea-shore, in leeways or pits, and in greater abundance than the Government has required, or with its monopoly has been able to collect.

2869. Do you happen to know anything of the production of salt on the coast of Coromandel?—I took some evidence on the subject in the course of my inquiries at Ceylon.

2870. Can you inform the Committee whether it differs in quality from that which is produced in Ceylon?—The Coromandel salt is, I understand, of inferior quality, although the climate of the eastern coast of Ceylon is nearly the same as that of Coromandel. I should explain, that the salt formations are occasioned by the prevalence of drying winds during the north-east monsoon. To these winds the eastern coasts are exposed, and the rapid evaporation after rain causes the deposit of salt in greater or less abundance, according to the season. If rain falls after the salt is formed and before it can be gathered, the supply is lost.

2871. Do you believe salt to be formed more abundantly on the coast of Ceylon than at Coromandel?—I believe the salt of the northern and eastern coasts of Ceylon is in greater abundance than the salt of Covolong, which is the best salt procured on the coast of India.

2872. Have you any reason to believe Bengal would be supplied more cheaply from that source than from any other?—From the inquiries I made among commercial people in Ceylon as to the price of salt in India and at Ceylon, it appears that the salt of Ceylon can be exported at two-thirds the price of the coast salt.

2873. From what port do you export it?—It may be exported from several ports; from Jaffna, Trincomalee, Batucalo, Hambantotte and others.

2874. What are the regulations which now obstruct the trade; do they exist in Ceylon or in Bengal, or in both?—The government of Ceylon has allowed salt to be exported on application, but the trade is obstructed by the government of Bengal.

22 May 1832.

Lieut.-Colonel *Wm Colebrooke*

Bengal. There was a correspondence between the governments some years ago. The Ceylon government applied to the Bengal government that a merchant might be permitted to export a cargo of salt from Ceylon to Bengal, he having ascertained that he could undersell the Bengal salt. The cargo was admitted, but the trade was afterwards stopped. General Brownrigg, the Governor of Ceylon, urged it on the ground that Bengal then exported grain to Ceylon, and that the produce of the island ought to be taken in return. A reference of the question was made to England from Bengal. Ceylon at present imports rice from the Coromandel and Malabar coasts. It was clearly shown that the obstruction lay entirely with the Bengal government.

2875. Is the supply of salt to the inhabitants of Ceylon a government monopoly?—Entirely; and it is a monopoly which has grown up in a great degree, and has been rendered much more strict under the British Government than it was under the Dutch.

2876. Would it, in your opinion, be possible, if desirable, to give up that monopoly, and to collect a revenue upon it, upon the principle and under regulations similar to those which were established in Great Britain for the purpose of collecting the duty on salt?—I consider it most desirable that the monopoly should be relinquished, and the tax given up, as soon as the revenue can be spared. I think it is practicable, in the mean time, to introduce a better mode of collection. A large revenue is collected in Ceylon upon the consumption of arrack, by means of licenses.

2877. Is not that the case at the presidencies in India also?—I believe the Madras government monopolize the sale of spirits at the presidencies. It is a subject which I am anxious to notice, because there are very injurious restrictions upon the trade between Madras and Ceylon.

2878. Upon what footing does the salt monopoly stand in Ceylon?—The government collects and stores the quantity of salt it requires in the season, and sells it by wholesale at a monopoly price to retail dealers, who dispose of it with a profit to themselves.

2879. Can you form any opinion of the difference between the natural price of salt, and the pric at which it is now actually sold to the consumers?—It varies at every place: for example, near the salt pans, where it spontaneously forms, the salt is of no more value than water would be; there is only the trouble of collecting it. In other places the expense of transport must be added. The Government have superadded to that a monopoly price, which in some places is stated to be 800 per cent. above the natural price: the consequence of the monopoly, and this great difference between the price at which the Government collects, and the price at which it sells the article, has been, that it has induced smuggling to a great extent. In some places people can collect salt at their doors, and they naturally do so. In seasons of drought in which the corn crops fail, they collect and carry it to the interior, where they can exchange it for grain. To remedy this, I have recommended an immediate reduction of the high monopoly price, the free use of salt in the curing of fish, and the free exportation of it.

2880. If a trade between Ceylon and Calcutta in salt could be fairly promoted by such an alteration in the present revenue laws in Ceylon as would remove the

obstructions that they now impose, would you recommend that the salt should be exported from Ceylon entirely without duty, or that a duty of any kind should be collected previous to its transport?—I have recommended that it may be exported without any duty whatever.

2881. Would that, in your opinion, lead to frauds and evasions in the duties which you would propose to collect in Ceylon?—I do not think it would; I think it would check the inducement to commit these frauds, by affording a resource to the inhabitants of the salt districts in years of scarcity. It would be exportable from places where there is always an officer who has the charge of the leeways. If it were exported free of duty, it would not be admissible into any of the ports.

2882. Suppose that all the salt consumed in Ceylon was liable to a considerable duty, would it not be easy, under the regulations you recommend, to take a cargo a certain distance out to sea, and then smuggle it into the different ports off the coast of Ceylon, and in that way avoid the duty?—It would not be worth while to do so. Less risk and expense would be incurred in collecting and conveying it inland from the leeways.

2883. Would not that expose them to the cost of inland transport; and might not that be avoided by carrying it out to sea?—There is at present a great deal of smuggling carried on in all ways, and probably this would prevail under any modification of the law. It would not be increased by allowing the export of any quantity duty free from certain ports, and in the registered vessels which navigate to Bengal and the eastward. The government of Ceylon, having encouraged the trade, must be convinced that there is no risk of its interfering with their monopoly within the island.

2884. In establishing a trade in salt between Ceylon and Bengal, would it be necessary to have other alterations in the customs between the two territories?—I think the customs between the two territories should undergo a general revision; they have operated not only injuriously in regard to the trade in salt, but in respect to other branches of commerce. I would instance particularly the trade in Ceylon arrack, and in Ceylon tobacco. Moreover the regulations of the Company's ports appear to me to vary in nearly every one of them; the duties are not the same in all these ports. The inhabitants of Ceylon and the continent are connected in a thousand ways, and might carry on a most profitable intercourse, but they are cramped and restricted in a manner that proves very injurious.

2885. Do you know whether similar complaints exist on the part of the traders in the Company's dominions with respect to the duties levied in Ceylon?—I am not aware of those complaints, but it is very possible they do exist; and I certainly consider that in any arrangement to be made they should be reciprocally advantageous.

2886. Would not you recommend the abolition of all export duties?—I have stated in my report that I recommend a gradual abolition of the export duties in Ceylon, imposing moderate duties on the articles imported. The customs' revenue has very largely increased: it now constitutes three times the amount of the land revenue of Ceylon, even in the present depressed state of the trade, and notwithstanding the monopolies of cinnamon, salt, tobacco, and other productions. The customs

22 May 1832.

Lieut-Colonel
Wm. Colebrooke.

customs are a branch of revenue that I think most desirable to encourage; the duties are very cheaply collected, and I would rather that they were more generally collected in the form of an import than an export duty.

2887. Is there an extensive demand in the Madras territories for the arrack of Ceylon?—The Ceylon arrack was in great request during the war, and the naval contracts were entirely supplied from that island. Madras imported a large quantity, but some years ago a very heavy duty was imposed on the arrack, which has operated to its exclusion nearly from the Madras market. I dare say it has led to smuggling. When the Madras government imposed the duty it was protested against by the goverment of Ceylon, but without effect. The Ceylon government diminished the export duty with a view to relieve the owners of cocoa-nut plantations, and it imposed a duty on the consumption of arrack in that island as an equivalent for the loss of revenue from the export duty.

2888. Do you think under any circumstances that any part of the Company's territories would be likely to derive a supply of tobacco from Ceylon?—The Ceylon tobacco is in considerable demand with the inhabitants of the southern part of the peninsula, chiefly in Travancore. I think, in 1808, when the territory was brought under British subjection, the rajah of Travancore was guaranteed in a monopoly of the supply of Ceylon tobacco to the people, from the profits of which monopoly a subsidiary force has been maintained. A long correspondence ensued between the government of Ceylon and the government of Madras, with a view to mitigate the severity of the restrictions upon this trade between the northern parts of Ceylon and the southern parts of the peninsula; but as the monopoly was upheld, the government of Ceylon unwisely established a countervailing monopoly, for which a heavy export duty has since been substituted. It has ruined the inhabitants of the northern parts of Ceylon, and has led to the substitution, in some degree, of Malabar tobacco, grown in the Company's territories, for the tobacco grown in Ceylon, and which has been rather encouraged by the Madras government than otherwise.

2889. Do you know to what extent the export of tobacco from Ceylon to the coast of Madras ever took place?—It has always been exported to a large extent, and a very considerable revenue is still derived by the rajah of Travancore, who is privileged in the exclusive sale of it in his country. He purchases the tobacco from the growers through his agents at a low rate. Formerly it was freely exported, and goods were imported in exchange.

2890. On what footing do you think the trade ought to be placed for the benefit of both countries?—I think that the rajah ought to be facilitated in abandoning the monopoly, by releasing him from the subsidy he pays to the Company out of it, and that the trade should be opened in tobacco. Whatever duties may hereafter be levied on tobacco in any of the ports on the continent should be subject to regulations, and placed on a principle of reciprocity, or any other that would be just and fair to the inhabitants of both countries.

2891. You think that the present system of monopoly should be abandoned, and that the trade should be put on a footing in which any subject should have to pay a regular known moderate duty?—Certainly, and that the Ceylon government should abate in the same manner the heavy export duty levied on Ceylon tobacco exported to Travancore; this abatement I have recommended to be made. The

end

22 May 1832.

Lieut.-Colonel
Wm. Colebrooke

end of all this restriction and heavy taxation has been the ruin of the most industrious, and at one time the most thriving people in the island of Ceylon, and perhaps in India, who depend on that trade for subsistence.

I understood before I left Ceylon, that the Company had withdrawn, or were about to withdraw, their subsidiary force from Travancore, on the plea of which this gratuity or subsidy was paid, and therefore that the opportunity is favourable for remitting the subsidy. I submit to the Committee the evidence of an European merchant* who is resident in Ceylon, who was long engaged in the trade of India, and whose information respecting the salt and tobacco monopolies may be relied on.

In referring back to a question about the land rents, I would observe, that one mode of relieving the country from the effects of a system of taxation which has impoverished the people, would be to allow the gradual redemption of the land rents, instead of making any settlement whatever. In Ceylon the system has been carried on for the last 10 or 12 years with very great effect; the people in some provinces have been allowed to redeem the whole of their rents above one-tenth. It is now proved by returns from those districts where the practice has prevailed, that the revenue has increased rather than diminished, notwithstanding the redemption of the assessment. A tenth is now as productive as a fourth or a third formerly was, probably from new lands brought into cultivation.

LAND RENTS, MADRAS.

The following statements will show the rates of assessment in two villages of the Southern Provinces under the ryotwar settlement

FIRST VILLAGE.	Parts	SECOND VILLAGE.	Parts.
Cultivator's expenses - -	15	Cultivator's expenses, (seed grain included) - - - - -	25
Village servants - - - -	6	Village servants - - - -	4½
Seed grain - - - - -	12		
Charges - - -	33	Charges - - -	29½
For the ryot - - - - -	17	Ryot - - - - - -	20½
For the Government - -	50	Government - - - - -	50
	100		100

These rates are an average of the wet or paddy cultivation, the cultivator getting about one-fifth of the crop. The assessment of one-half of the gross produce is made by the collector on an average of years. If the ryot object to the assessment, the land is placed in aumonny, and cultivated at the expense of Government. If the assessment is not paid by the ryot, the land is put up for sale, and transferred to any one who will engage to pay the rate.

The embankments on which the irrigation of the country depends, in some provinces are maintained by the Company, and a civil engineer is placed under the collector in each district.

The ruin of the tanks in the island of Ceylon has been a principal cause of the depopulation of that island, and its dependence on the continent for supplies. Grain was probably in former times exported from Ceylon.

BOMBAY

* *See* Evidence of Captain James Thomas Anderson.

22 May 1832.

Lieut.-Colonel *Wm. Colebrooke.*

Bombay.

From statements taken in two villages of the Concan, the assessment was one-third of the first crop, and the second crop was untaxed, the rate of assessment on the year's produce being about one-fourth of the two crops, as follows:

Government share - - - - - - - - -	25
Ryot's expenses of himself and family - - - - -	35
For expenses of cultivation, seed grain, and surplus to the cultivator - - - - - - - - -	40
	100

Travancore.

The people in Travancore are more lightly taxed than in the Company's territories to the southward, and although the country is poor, the people are better off than under the Company. In Ceylon the inhabitants are far better off than on the Continent. The contrast in their condition is striking to those who have visited Colombo and the neighbouring coasts of Coromandel and Malabar.

Tobacco.

The annual consumption of tobacco in Travancore may be stated as follows:

Imported:

From Jaffna in Ceylon, toonds of 331 lbs. each - -	2,000
From Tinnevelly - - - - - - -	2,500
From Coimbatore - - - - - - -	1,500
Total toonds - - -	6,000

Or 1,986,000 lbs., or 4,000 candies of 500 lbs. each.

This proportion varies according to circumstances.

The subsidy paid by the rajah of Travancore to the East-India Company is eight lacs of rupees, and the revenue he derives from the monopoly of tobacco exceeds 13 lacs.

As the Jaffna tobacco is much preferred by the people of Travancore, it is probable that were the Ceylon government to repeal the export duty, a smuggling trade would be carried on with great facility in the ports of that country; the native officers of the rajah being generally corrupt. Tobacco is exported from Ceylon to Acheen in Sumatra, as well as to Cochin and the Malabar coast. At Acheen it is exchanged for areka nuts and gums. At Cochin, for pepper, rice, and money. This is probably smuggled.

I take this opportunity of observing, that I have derived much valuable information in Ceylon from the communications of the native inhabitants who are engaged in trade and agriculture. I received the representations of all classes, and which explain their views and interests intelligently, and convey a perfect knowledge of their habits, circumstances, and condition.

Lunæ, 25 die Junii, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS in the Chair.

Captain JOHN SHEPHERD called in and examined.

2892. How long have you been in the Company's service?—Upwards of 20 years.

2893. During any part of your service, have you frequently gone to China?—Yes, I have.

2894. And latterly in command of one of the Company's ships?—Yes.

2895. Have you had opportunities of acquiring information respecting the opium market in China?—Yes, I have.

2896. Have you in your possession a book containing Statements, showing the importation and the consumption of that article, for a good many years back, in China?—Yes, I have, from the year 1816 to the year 1831.

2897. Will you be so good as to put those Statements in?—

[*The Witness delivered in the same, which were read as follow.*]

IMPORTATION of INDIAN OPIUM to *China*.

The annexed Table shows the great increase which has taken place in the importation of Indian opium into China, during the last 15 years; and further that the Malwa has increased in a much greater ratio than the Patna and Benares.

SEASONS.	TO MACAO		TO WHAMPOA		TOTAL.	UNSOLD AT END OF SEASON		
	Patna and Benares	Malwa	Patna and Benares	Malwa		Patna and Benares	Malwa	TOTAL
1816-17	2,200	350	760	350	3,660	- -	- -	4 to 500 ch
1817-18	1,950	900	890	450	4,190	- -	- -	4 to 500 -
1818-19	1,820	1,800	1,500	750	5,870	- -	- -	1,270 -
1819-20	1,470	900	930	300	3,600	- -	- -	220 -
1820-21	1,513	930	814	50	3,307	All sold by 13th March.		

At this period the Chinese authorities commenced vigorous measures against the smugglers at Whampoa, and even threatened to search foreign vessels for opium, which was the means of driving the trade outside the port to Lintin.

TO LINTIN.

SEASONS.	Patna and Benares.	Malwa.	TOTAL.	UNSOLD AT END OF SEASON		
				Patna and Benares.	Malwa.	TOTAL
1821-22	2,910	2,518	5,428	300	800	1,100
1822-23	1,222	3,950	5,172	975	750	1,725
1823-24	2,910	5,170	8,080	1,275	1,748	3,023
1824-25	2,655	5,400	8,055	390	1,148	1,538
1825-26	4,700	6,043	10,743	1,645	966	2,611
1826-27	3,092	5,773	8,865	1,017	432	1,449
1827-28	6,359	4,752	11,111	2,242	783	3,025
1828-29	4,317	7,092	11,409	595	704	1,299
1829-30	7,671	7,972	15,643	1,126	1,586	2,712
1830-31	7,477	12,631	20,108	1,943	2,117	4,060

25 June 1832.

Captain *John Shepherd*

STATEMENT of the Annual Consumption and Value of INDIAN OPIUM in *China*.

From 1 April to 31 March. Seasons.	PATNA AND BENARES OPIUM.					MALWA OPIUM					TOTAL	
	Chests	Highest Price.	Lowest Price.	Average.	Value.	Chests.	Highest Price.	Lowest Price.	Average.	Value	Chests.	Value.
		$	$	$	$		$	$	$	$		$.
1816–17 - -	2,610	1,320	1,080	1,200	3,132,000	600	950	800	875	5,25,000	3,210	3,657,000
1817–18 - -	2,530	1,330	1,200	1,265	3,200,450	1,150	800	600	612	7,03,800	3,680	3,904,250
1818–19 - -	3,050	1,200	800	1,000	3,050,000	1,530	850	600	725	1,109,250	4,580	4,159,250
1819–20 - -	2,970	1,320	1,150	1,235	3,667,950	1,630	1,400	950	1,175	1,915,250	4,600	5,083,200
1820–21 - -	3,050	2,500	1,300	1,900	5,795,000	1,720	1,800	1,230	1,515	2,605,800	4,770	8,400,800
1821–22 - -	2,910	2,500	1,650	2,075	6,038,250	1,718	1,600	1,050	1,325	2,276,350	4,628	8,314,600
1822–23 - -	1,822	2,550	2,080	1,552	2,828,930	4,000	1,5[illegible]0	1,080	1,290	5,160,000	5,822	7,988,930
1823–24 - -	2,910	2,500	1,100	1,600	4,656,000	4,172	1,050	800	925	3,859,100	7,082	8,515,100
1824–25 - -	2,655	1,450	900	1,175	3,119,625	6,000	950	550	750	4,500,000	8,655	7,619,625
1825–26 - -	3,442	1,150	800	913	3,141,755	6,179	850	560	723	4,464,450	9,621	7,608,205
1826–27 - -	3,661	1,250	800	1,002	3,668,565	6,308	1,060	860	942	5,941,520	9,969	9,610,085
1827–28 - -	5,134	1,220	815	998	5,125,155	4,401	1,420	950	1,204	5,299,920	9,535	10,425,075
1828–29 - -	5,965	1,100	880	940	5,604,235	7,771	1,250	750	968	6,928,880	13,132	12,533,115
1829–30 - -	7,143	1,000	805	860	6,149,577	6,857	1,030	740	862	5,907,580	14,000	12,057,157
1830–31 - -	6,660	1,050	790	870	5,790,204	12,100	760	520	588	7,114,059	18,760	12,904,263

This Table shows the great increase which has taken place in the consumption of India opium in China during the last 15 years, the reduction of price consequent upon that increase, the greater ratio in which the Malwa has increased than the Patna and Benares, and the great fluctuation in value which takes place in the China market, showing in some seasons Malwa bearing an equal and even higher price than Patna and Benares, and in others selling from $ 500 to $ 1,000 per chest under that of Patna and Benares.

25 June 1832.

Captain *John Shepherd.*

2898. In the year 1816 what was the consumption in China of Patna and Benares opium?—Patna and Benares opium 2,610 chests.

2899. Malwa?—600 chests.

2900. In 1830–31 what was the consumption of Patna and Benares?—6,660 chests.

2901. What was the consumption of Malwa in that year?—12,100 chests.

2902. In what way do you know that those returns are authentic?—I got them from Mr. Fox, a gentleman who has been an agent in Canton, and who lately came to England. They were compiled by a person who was for many years engaged in the opium trade in China, and who kept yearly journals of the importations.

2903. Had he opportunities of obtaining that information?—Yes, he had opportunities, from being resident at Canton.

2904. To your knowledge, is the trade conducted in such a way that it would be possible for anybody to know accurately the number of chests imported?—So far as this, that a person resident in Canton has opportunities of learning the number of chests that are imported every year, and also the number that are cleared from each ship, except perhaps in the American ships, which are principally confined to the importing of Turkey opium. British merchants do not make a secret of the quantity that they import, or of the quantity they sell; the Americans do.

2905. Will you explain in what way the quantity of opium consumed in China is ascertained?—Principally from the different ships that lie at anchor at Lintin. The commanding officers of those vessels receive orders from the agents at Canton for every chest of opium that is sold, consequently they have the power of keeping an account of the quantity from time to time as the ships are cleared; and I have no doubt but that the quantity of opium consumed in China is as correctly known as the quantity of cotton that is imported, excepting that small portion which comes in American ships, and that is chiefly Turkey opium. Of course the extent of the exportations from the different ports in India is known exactly; and as mostly all the opium finds its way to China, excepting a small quantity which is sent to Batavia and the other Eastern islands, this of itself would enable one to estimate pretty accurately the consumption in China.

2906. What is known of the quantity of the Turkish opium imported into China?—It is not so correctly ascertained; sometimes the Americans have stated the amount of their consignments, but we are always in considerable doubt as to the extent of them.

2907. Do you know anything of its price, as compared with Malwa and Patna opium?—It is generally below the price of either; occasionally, if there is very little in the market, it is equal to the Malwa opium. I have known it from 100 to 200 dollars less, and I have known it equal in price.

2908. The opium is taken out of the ships, and paid for at the time in hard dollars, is it not?—It is generally paid for in Canton before the order is given; the smuggler comes down to the ship with the order and receives the opium; the agent receives the cash previous to giving the order. Of late years some of the agents have given credit to the merchants, the most respectable of them; but it is a practice generally avoided by the British merchants there. I have known instances of it, and I have known them faithfully paid; but it is at considerable risk, as you have no hold on them. Opium is sometimes bartered for raw silk and nankeens.

2909. Is

25 June 1832.

Captain *John Shepherd.*

2909. Is there not a certain portion of the sum paid given to the people who smuggle it?—I believe they have a premium out of it; I do not know the amount. The commanding officer of the ship gets a small sum for each chest he delivers.

2910. It appears by the Statement you have delivered in, that the consumption of Indian opium in China has increased greatly since 1816; are you of opinion that this increased consumption will continue and be progressive?—I am of opinion that it will continue to increase, particularly if the price at which it is sold decreases. The practice of smoking opium is a very prevalent vice in China, and when once acquired is seldom abandoned. Many of the higher classes indulge in it, amongst the rest some of the merchants whom I am acquainted with; and I have no doubt that the lower orders of the people would follow their example if the reduced price should be such as to enable them to purchase it.

2911. Is there, in your opinion, any risk that if the smuggling trade in opium should be carried to a much greater extent, the Chinese government may adopt more vigorous measures to put a stop to it?—It is impossible to form an opinion as to what effect a very great increase of the smuggling trade may have in China, we are so completely in the dark as to the real motives by which the Chinese government is actuated.

2912. Have they not lately exerted themselves to put it down?—Not more than usual. Occasionally there are fresh orders issued, but they dwindle away again into the old system. With regard to the effect of a very increased opium trade, I am of opinion that if the smuggling trade is carried to a very great extent in China, it may ultimately affect our fair or legal trade in other articles; and that the Chinese, if they value their revenue arising from foreign trade, which some people are of opinion they do, may be driven to extreme measures in order to put it down. I consider the present opium trade in China a proof that the Chinese government do not put much value on the revenue proceeding from foreigners, or they would legalize the importation of opium under a high duty, seeing that they fail in checking its consumption under the existing system.

2913. Is it in their power to put it down?—They have no sufficient marine force by which they can put it down; but then they might say to the English, if you insist on bringing your opium here, and poisoning our people, we will give you no tea.

2914. How far is opium carried to the northward by sea?—I am not aware to what extent it is carried seaward by the Chinese; some few British and other vessels have carried it to the northward and eastward, but not, I believe, in large quantities, or with general success in disposing of it. It finds its way into the interior by canals and river navigation, and in piecemeal; it is generally put into a bag; the chest is broken up, and we see nothing more of it.

2915. Have you any means of knowing how far to the northward the consumption of it extends?—I have not.

2916. Is none of it grown in China?—Not that I am aware of.

2917. As compared with Patna opium, does the price of Malwa bear about the same proportion that it used to do, or do they change their proportions in consequence of their difference of quality?—They fluctuate materially: at one time, the

the Committee will observe by this Table, the difference of price between the Patna and Benares and the Malwa was equal to 1,000 dollars, or more; that is, Patna bore 1,000 dollars higher price than Malwa; in two or three other seasons the Malwa bore a higher price than the Patna.

2918. Is it a stronger or purer opium?—Yes: it is considered what the Chinese call a higher touch, but not so mellow or so pleasant in flavour.

2919. Will you be so good as to state the purity or the strength of the different kinds of opium, as ascertained by the Chinese?—The Patna and Benares they call 46. to 50. touch, averaging 48; Malwa, 70. to 75. touch, averaging 72½; Turkey, 53. to 57. touch, averaging 55.

2920. Those figures or numbers which you have used intimate the relative degrees of strength?—Yes; or what the Chinese call the smokeable extract which each quality contains.

2921. What effect is the smoking of opium found to have upon the persons who practise it?—It has the most demoralizing effects: to a certain extent it destroys their reason and faculties, and shortens life. A confirmed opium smoker is never fit to conduct business, and generally unfit for the social intercourse of his friends or family. You may tell him by his inflamed eyes and haggard countenance.

2922. Have you ever traded in opium on your own account?—By the Company's regulations their commanders are prohibited from taking any opium in their own ships; at the same time they are not prevented from purchasing it at their sales in India, and exporting it in private ships, which I have done frequently.

2923. Has not the Malwa opium of late years risen in the estimation of the Chinese?—The Malwa opium has risen considerably in the estimation of the Chinese of late years, and has been improving in quality, whilst the Patna and Benares have been falling off. By the Statement that I have given in the Patna and Benares bore, in former years, a much higher price in proportion to the Malwa; but in the years 1827–28–29–30, the Chinese complained that the Patna and Benares had become much deteriorated in quality, and Malwa was at that time as high, indeed higher, in price than the Patna. The Patna, it seems, is not likely ever to recover its former ascendancy.

2924. For what reason do you think?—The Chinese have become accustomed to the Malwa, and begin to approve of it more than formerly.

2925. How do you account for the price of opium fluctuating so much in the China market?—There are several causes which influence the price of opium in China; in the first place, it is a contraband trade, and it is at all times liable to obstructions by any increased vigilance on the part of the mandarines, the revenue officers. I have known the price suddenly reduced 300 dollars per chest by the circumstance of some smugglers being taken, and fresh orders being issued by the hoppo against that class of people. The fall of 300 dollars per chest happened in one day; I was in China at the time. Another reason is, that during one-half of the year, whilst the north-east monsoon prevails, the China sea is in a manner shut up; all arrivals of foreign vessels generally taking place from June to November, during the prevalence of the south-west monsoon. This circumstance places it in the power of capitalists residing all the year at Canton to use great influence on the opium market. Ships that arrive from the different ports in India with opium,

25 June 1832.

Captain *John Shepherd.*

opium, have many consignments, some large and many small. The consignees have generally instructions to effect prompt sales, and remit the proceeds by the ships of the season. The consequence is, that for several months a large proportion is thrown into the market, which often finds its way into the hands of capitalists, who hold it till the petty holders sell off, and then they raise and command the market till the commencement of the following season. Of course, as the consumption and importation increases, this monopoly will become more impracticable; even now it does not exist nearly to the extent it did 10 years ago.

2926. Are you aware of the relative quantities of Malwa opium imported into China through Bombay, and through the Portuguese settlements of Demaun?—It is stated in this Table that the importation in 1830, up to the 11th of December, of Company's Malwa opium, was 3,566 chests; of Demaun opium, or what is imported through Demaun, 8,908 chests; of Patna 5,259 chests, and of Benares 1,526 chests.

2927. Do you know whether any vessels, either British, American, or Spanish, have carried opium to the northern ports of China?—One season when I was there two vessels went; the Merope was one; and the first voyage I understood was successful, but the second was a complete failure; and I am not aware that it has been attempted again.

Sir CHARLES FORBES, Bart. a Member of the Committee, examined.

Sir Charles Forbes, Bart.

2928. CAN you give the Committee any information respecting the regulations under which the trade in Malwa opium is conducted at Bombay?—I have in my hand a Proclamation by the Bombay government, dated the 12th of September 1831, containing the rules and regulations under which passes are now granted for the transit and exportation of Malwa opium by the direct route through Bombay which, with the permission of the Committee, I will put in.

[*The Witness delivered in the same, which was read as follows:*]

" Territorial Department, Revenue—Opium.

" PROCLAMATION:

" 1st. Notice is hereby given, that pursuant to instructions from the Right hon. the Governor-General, passes for the free transit of Malwa opium by the direct route to Bombay for exportation by sea will be granted on application to the warehouse-keeper at Bombay, or to the resident and opium agent in Malwa, on payment of Bombay rupees 175 per chest of 140 lbs. weight.

" 2d. For the convenience of importers, passes will be granted for maunds instead of chests, should it be desired; but in no case will a pass be given for less than 50 maunds.

" 3d. Passes obtained at Bombay will not be given open to the persons taking them out, but enclosed in a sealed letter of advice to the opium agent in Malwa, who will countersign each pass before the opium is issued.

" 4th. No duties will be exacted on account of the Honourable Company's government on opium protected by passes; it will however be liable, should occasion require, to examination at the different nakas and chowkees when *in transitû*,

and also on its arrival at Bombay, with the view of ascertaining that the quantity corresponds with that specified in the pass; but there will be no detention or obstruction by the officers of government beyond what may be necessary for the diligent prevention of any opium being conveyed into the territories subordinate to this presidency.

"5th. The owners of the opium will have to make their own arrangements for its transport. The despatches will be accompanied by one or more chuprassies or peons, as the resident and opium agent in Malwa shall consider advisable; but the providing of escorts for the protection of the drug will rest with the owners, and Government will not be answerable for any casualties that may befal the same.

"6th. It is left to the option of persons taking out passes, to pay at the rate of Bombay rupees 17 per chest, in commutation of all customs and duties that may be due to the native states between Indore and Tankaria Bunder, through whose territories the opium is conveyed, or to pay those duties themselves.

"7th. Persons residing at Ahmedabad, Baroda, Surat, or other places, desirous of exporting Malwa opium under a pass, will be furnished with the same on application to the British authorities resident at such places.

"8th. The Right Honourable the Governor in Council guarantees that the price to be paid for the passes, and in commutation of the duties to native states, shall continue as now fixed to the 1st of June 1832; but the guarantee here given will not debar the Government from continuing to grant passes after the expiration of this period, should it think fit to do so, without a further proclamation.

"9th. For the convenience of individuals, deposits of Company's paper will be received on account of sums payable for the passes and duties specified in articles 1st and 6th, interest being payable to Government on the same until redeemed, at the rate of five per cent. per annum; and the deposit should be redeemed on or before the arrival of the drug at Bombay, from which period the charge on account of interest will be doubled.

"10th. The holders of passes are to take the opium to Indore, Rutlam, or any other place in Malwa that may suit the wishes and convenience of both parties, to be weighed by persons who will be appointed by the opium agent in Malwa to perform that duty.

"11th. Fifteen days' notice must be given to the opium agent in Malwa, or his assistant, by all persons about to make exportations under licences, previously to the production of the opium at the place of weighment, in order that he may be better prepared to receive, weigh and dispatch it.

"12th. Only one despatch will be allowed under a pass or licence, which despatch may, or may not, at the option of the holder of the pass, be to the full quantity mentioned in it; but if a smaller quantity be exported, no drawback or refund from the sum paid for the pass will be allowed on account of such deficiency.

"13th. In weighing the opium, an allowance of (3) three pounds will be made for each chest of 140 pounds, on account of leafage and dustage.

"14th

25 June 1832.

Sir Charles Forbes, Bart.

"14th. With the exception contained in Article 8th, the Right Honourable the Governor in Council reserves to himself the right to adopt, from time to time, such measures as he may conceive to be necessary to prevent the illicit trade in opium, and to secure the objects of government in sanctioning the present arrangement.

"'Published by order of the Right honourable the Governor in Council,

" Bombay Castle,
" 12th September 1831.

" *C. Norris*,
" Chief Secretary to Government."

I have also in my hand a letter from Mottichund Amichund, a Hindoo merchant at Bombay, dated the 27th of January 1832, of which the following is an extract:

" The pass system of opium has been considerably improved this season; the number of chests for which passes have been taken out, up to the 23d instant, amounts to 8,714, yielding a revenue of rupees 15,24,950 to the Company; whereas it did not amount to half of it last year, until the close of the season, 1st June 1831. Some modification in the terms of proclamation, differing from that of the preceding year, as reducing the number of chests in each pass, and allowing refund of duty for exporting less quantity than what is specified in the pass, has encouraged the purchasers to be more extensive in their speculations of opium."

I have a further letter from a Parsee merchant, Hormajee Bhiccajee, dated Bombay, 24 February 1832, in which he says, " The price of Malwa opium here is 1,230 rupees, and it is supposed that 10,000 chests will come to Bombay, and 1,000 to Demaun." I have likewise a letter from Mr. Lewis Grant, of the house of Forbes and Co., at Bombay, dated 25 February 1832, wherein he states that " The prospect for speculators in Malwa opium is not favourable this season, there being an unusually heavy stock of last year's crop remaining in China, and very difficult of sale at 660 to 670 Spanish dollars per chest, while the ensuing crop is expected to be little short of 15,000 chests, and will stand the contracting parties about 1,200 rupees per chest by the time it is brought down to Bombay and the duty paid."

From the information I have thus laid before the Committee, it appears that the pass system for Malwa opium now in operation at Bombay fully answers the object intended, inasmuch as the quantity going through Demaun the present season, compared with that carried through Bombay, is only as one to ten; whereas two years ago the proportions were two-thirds through Demaun and one-third through Bombay. It seems probable that by the end of the season, or the setting in of the south-west monsoons in the beginning of this month, the Company will have drawn a revenue of upwards of 20 lacs of rupees from this source.

Jovis, 28° die Junii, 1832.

The Right Hon. THOMAS FRANKLAND LEWIS, in the Chair.

III. REVENUE

28 June 1832.

Holt Mackenzie, Esq.

HOLT MACKENZIE, Esq., called in and examined.

2929. CAN you furnish the Committee with any information as to the rent paid by the farmers, and the profits accruing to the wards, on any estates in Bengal which have been managed by the Court of Wards on account of minors or other disqualified zemindars?—I submit the accompanying Statement, relative to various estates under the charge of the Court of Wards, which shows the amount of the government demand, the rent paid by the farmers to whom the zemindar's interest was let, and the profit accruing to the estate while under the charge of the court. This Statement, in so far as concerns the three first columns of figures, was prepared in Bengal from a detailed list of individual estates which I obtained from the Board of Revenue; and the facts mentioned under the column of "Remarks" are taken from a Statement prepared from lists of the Record Committee at that Presidency.

STATEMENT showing the Aggregate Government demand on various Estates within the under-mentioned Districts of Bengal, farmed by the Court of Wards, on account of Minor and other disqualified Zemindars, the Rent paid by the Farmer, and the Profit accruing to the Ward.

DISTRICTS.	Government Revenue	Farmer's Rent.	Zemindar's Profit.	REMARKS.				
	Sicca Rupees.	*Lacs.*	*Lacs.*	This district comprises				*Rs*
Beerbhoom - -	14,508	23,871	9,363	458 estates, paying about				6,92,000
Bhaugulpore - -	9,958	14,820	4,862	519	-	-	-	6,50,000
Burdwan - - -	27,360	34,652	7,297	2,559	-	-	-	28,46,000
Dacca - - -	2,248	3,225	977	8,322	-	-	-	4,08,000
Dinagepore - -	66,562	1,10,041	43,479	688	-	-	-	17,56,000
Jessore - - -	1,10,224	2,25,037	1,14,813	3,958	-	-	-	11,82,000
Jungle Mehals - -	3,654	19,677	16,023	86	-	-	-	4,38,000
Midnapore - -	5,045	12,906	7,861	1,701	-	-	-	15,16,000
Moorshedabad - -	1,01,882	1,89,631	87,749	2,605	-	-	-	11,95,000
Mymensing - -	1,15,941	3,16,732	2,00,791	5,317	-	-	-	7,56,000
Nuddeah - - -	23,823	43,204	19,381	757	-	-	-	10,29,000
24 Pergunnahs - -	6,625	8,601	1,976	686	-	-	-	9,09,000
Rajeshaye - -	40,474	84,263	43,789	2,378	-	-	-	14,64,000
Rungpore - -	25,656	57,587	31,931	318	-	-	-	11,25,000
Tippera - - -	20,464	31,828	10,664	1,950	-	-	-	8,10,100
	5,74,424	11,75,375	6,00,951					

2930. In

28 June 1832.

Holt Mackenzie,
Esq.

2930. In that return, what appears to be the greatest amount received on account of the zemindars, as compared with the amount received by the Government?—The largest proportionate profit appears in the district of the Jungle Mehals, in which, upon a government revenue of 3,654 rupees, there is a profit of 16,023.

2931. Do you know to what circumstances it has been owing that the income accruing to the zemindar so greatly exceeds that due to the Government, in that particular instance; is it from improvements in the land?—In the district of Jungle Mehals many of the estates are held by native chiefs in a comparatively wild country; the government demand is a light tribute or quit-rent, rather than an assessed revenue; and at the time of the permanent settlement the country was extensively waste.

2932. Is it to improved cultivation since 1793 that this increase is owing?—I imagine principally to improved cultivation. In former times that part of the country was frequently disturbed.

2933. Can you form any conjecture as to the source from which the capital employed in the improvement of that district has been employed; has it been capital saved from the surplus of the preceding year, or derived from rents paid to the zemindars?—I believe it is chiefly to be ascribed to the labour of the cultivators, and without any assistance from the zemindars.

2934. You have pointed out to the Committee an instance in which the profit is the largest in proportion, and as compared with the rent received by the Government, have the goodness now to point out the instances in which the profit of the zemindar is smallest, as compared with the government revenue?—It appears to be in the Twenty-four Pergunnahs, the government revenues of the state comprised in the Statement being 6,625 rupees, and the profits of the zemindar 1,976.

2935. To what circumstance is it owing that the profit of the zemindar in that district has been so much smaller than the one you have first alluded to?—I should imagine it arises from two causes; the one is that the settlement of the Twenty-four Pergunnahs was made on a detailed measurement, and the real value of the estates was more accurately ascertained than elsewhere; the other is that the ryots who occupied land at the period of the settlement, and who were recorded as the resident cultivators, have been generally maintained in the possession of their tenures, subject to the amount which was specified in the rent-roll formed by the collector, the zemindars not being allowed to raise their rents in proportion to the increasing value of the land; and as an illustration of this I may mention, that when land was purchased by the Government for the road between Calcutta and Barrackpoor, the ordinary proportion of the purchase-money which went to the ryot was three-fourths, and one-fourth to the zemindar.

2936. It appears by the account, that in the district of Mymensing the government revenue was 1,15,941 rupees, and the profit is 2,00,791; can you state to what circumstance that great increase in the rent is owing?—I believe in a great measure to the improvement of the country.

2937. Do not some of the cases stated in that paper prove great improvement in the condition of the people?—I do not think any inference can be drawn that the condition of the people has improved, but that cultivation has much extended.

2938. The

2938. The Committee are anxious to put some questions to you respecting the salt monopoly of the East-India Company, on which they are desirous of obtaining further information. The Committee have by several of the witnesses been informed that what they call a sub-monopoly exists to a very considerable extent, and the Committee have also observed, in various publications on this subject, the same sub-monopoly alluded to; will you have the goodness to state to the Committee what your experience has enabled you to know on the subject either as to the existence of such a monopoly on any particular occasion, or with reference to its permanent existence?—My impression is, that there does not exist any sub-monopoly, properly so called.

2939. Do you think that the price at which the persons who are purchasers of salt from the Government actually rated it to the consumers is very much higher than it would be under a more open system of trade; are their profits considerably greater, do you think, than the ordinary profit of persons engaged in open trades in Bengal?—I believe not ordinarily. All trade in India is in some sense a monopoly; native merchants do not readily change from one to another; but it does not appear to me that, in so far as concerns the dealings of the individual merchants, there is anything to distinguish the salt trade essentially from the grain trade. I believe merchants who purchase at the government sales are so numerous, and so little bound together, that there cannot properly be said to be a monopoly in regard to that more than a monopoly in regard to grain.

2940. Does there exist a competition among them?—That there is a very strong competition at our sales we know; the prices paid, rising uniformly with every limitation of supply, appears sufficiently to prove this. As to the arrangements of the purchasers with the retail dealers we know less; but everything I do know leads me to suppose that there is nothing that properly can be called monopoly, although the trade is, as most other trades in India are, very much in the hands of a particular class of men.

2941. About what numbers are there, merely on a rough estimate, of these purchasers of salt at the sales?—I cannot immediately say, but they are numerous. On the occasions of the sales a large room is crowded with people, and the names on the books are numerous.

2942. Do you happen to know whether new people frequently engage in the trade?—I believe not; but that, I think, is very much the case with all the trades in India. Indeed, in all countries the established traders have an advantage, but still more in India, where everything goes so much by custom.

2943. Is there anything connected with caste that influences this trade?—Not that I am aware of. Persons of various castes embark in it, and I believe that any caste may do so; but men of the highest respectability rather shun trading in the necessaries of life. It may be right that I should mention that there was at one time an attempt made by a wealthy native, of the name of Ram Rattun Mullik, to establish a monopoly by purchasing a large proportion of the salt that was sold; this was, I think, in the year 1822. But the consequence was, that the competition of the other merchants against him run up the government price so far beyond the ordinary rate, that he was not able to sell without a loss, and was compelled, with other merchants who had purchased, to apply to Government for relief.

 2944. Was

28 June 1832.

Holt Mackenzie, Esq.

2944. Was the Government able to afford him any relief?—The Government determined to allow him to relinquish his purchase, paying a penalty of one rupee for every maund of salt that he had purchased. On that occasion I had communication with a multitude of salt merchants, both the purchasers at government sales, and those who had bought from them. The latter took a very lively interest in the decision which the Government might pass on the subject, showing the loss they would sustain if, by receiving a remission, the purchasers at the government sales should be enabled to undersell them; and on the whole, the impression on my mind, from what I saw on that occasion, was decidedly against the notion that there was anything like combination among them that in any degree approached to a sub-monopoly.

2945. Is it observed the persons who are the customary buyers of salt of the Government that they grow rich faster than other traders, or less so?—For many years past my belief is that they have by no means been accumulating money, but rather the reverse; and I know they trade to a large extent on borrowed capital. There are indeed one or two families who are known to have made large fortunes in former times in the salt trade; but the general belief is, that they owe a great deal of it to being engaged in smuggling, which at one time was extensively carried on by the purchasers, under cover of the passes they obtained for salt they bought of the Government, and in collusion with the government officers.

2946. Do you believe that has been put a stop to?—I believe almost entirely.

2947. Is there anything connected with the government regulations which prevents persons of small or moderate capital from entering into the salt trade; is the quantity put up from time to time such as of itself to put a difficulty in the way of persons of small capital entering into the salt trade?—I should think not; the trade being considered a wholesale trade, and the quantity sold in a lot being now 500 maunds. The salt has generally to be conveyed in boats to a considerable distance, and I conceive that no one can profitably undertake to have the necessary establishment, and to give the necessary superintendence for the conveyance and disposal of so small a quantity as 500 maunds between the government warehouses and the retailers. If indeed Government were to open its warehouses immediately at Calcutta, it might establish a retail trade at the presidency and in the immediate vicinity; but I have no conception the provinces could be supplied by merchants dealing in less quantities than is now disposed of.

2948. Where would be the objection to selling in smaller quantities, and at more frequent times, if any good was likely to arise from it?—I see no objection, except on the score of convenience.

2949. It has been suggested to the Committee that one of the modes by which the sub-monopoly, which is so frequently alluded to, has been maintained, is, that the regulation under which the Company's sales of salt take place enable the purchasers at the last auction to put up as small a quantity as it may suit their interest to offer for sale in the intermediate time, and as they should desire; the statement is, that the Government regulate the quantity of salt which they put up for sale by the quantity remaining on hand in the possession of the merchants at the last sale. If that is so, is it not evident that the merchants, by withholding a part of the last sales, might discourage the Government from offering a sufficient quantity to supply the

the market, and might they not so starve the market as to insure to themselves a higher rate of price than would be necessary to repay the government tax and the original cost of the salt? Are the government regulations such as to enable them to carry that operation into effect?—I think not in any essential degree. The quantity of salt uncleared is indeed always one of the items which is considered by the Board in determining the quantity to be brought to sale in each year; but at the same time they always refer very particularly to the retail price in the different markets throughout the country, of which they get reports from the local officers; and they are by no means guided by the single circumstance that salt has been accumulating; on the contrary, if the retail price in the interior were so high as to prove the existence of a sub-monopoly, the Government would certainly increase the quantity to be sold. In attending so much as they do to the accumulation of uncleared salt, they act upon the belief that there is in fact no sub-monopoly, and the persuasion that when the merchants retain salt in our warehouses for which they have paid, it is because they cannot find a market at prices yielding a fair profit upon the rates which they have paid at the public sales.

2950. It has been said or written, that 18 months is frequently allowed to merchants for clearing out of the warehouses the salt they have purchased, and that they are not required to pay the purchase-money in a less time than that; if that statement has been made, is it a correct one?—Certainly not.

2951. State what the fact is?—The Committee can best ascertain the fact by a reference to the advertisements which are printed in the Government Gazette. To the best of my recollection, three months is the longest period allowed to the salt merchants to complete their payments; and I imagine the statement in question must refer to the time for which they were allowed to keep their salt in the government warehouses without a charge for warehouse rent, and even that has now been fixed, I believe, at three months, after which such a warehouse rent is required (the precise rate I cannot immediately carry in mind) as may induce the merchants to carry their salt away, if not otherwise disposed to do so. The statement regarding the 18 months must, I imagine, refer to some order about the absolute clearance of the salt, and not to the payment of the purchase-money. At particular times, indeed, of financial pressure, some allowance may have been made beyond the ordinary term; but that must have been of rare occurrence, and the indulgence was certainly never carried to anything like the extent of 18 months.

2952. The salt which is on hand, and which the Government take into their consideration in their sales, is only that which has not been paid for; it is not that which has remained for the longer time in the warehouses, is it?—Yes; it is the whole.

2953. Have you had any opportunity of knowing what is the usual time, in practice, which they require to take the salt out of the warehouses; do they usually take it out in three months, or what?—I cannot speak to that point; the time I believe to be very various.

2954. Is the high price of salt in the Lower Provinces of Bengal much matter of complaint amongst the inhabitants; is it a grievance severely felt?—I was not perhaps the person most likely to hear complaints, although I have frequently made inquiry. My belief is that it is not ordinarily a subject of complaint; but when

Ram

28 June 1832.

Holt Mackenzie, Esq.

Ram Rattun Mullik, the person I have already mentioned, attempted to establish a sub-monopoly, and the price rose consequently in the market, I recollect well that every native I spoke to, including my own servants, were loud in their complaints. I have not heard complaints at other times. It was then the sudden rise in price of which they complained, and they certainly complained lustily on that occasion, and expressed satisfaction at the penalty imposed on Ram Rattun. At other times, though I have often spoken freely about the supply of the market with salt, I have not met with any similar complaints; and I see no sufficient reason to think that the people would not have complained if they had felt a grievance. Of course they would be well pleased to get salt and all things else cheaper.

2955. Does a fair competition exist in the province of Benares in the salt trade; and are the two salts, the one from the westward and the other from Bengal, permitted to enter the market in open competition with each other, or is there a point at which the one is prohibited and the salt of the monopoly favoured?—The western salt is absolutely excluded from Behar and Bengal. In Benares and the Western Provinces it is subject merely to a transit duty, and has usually been much cheaper than the monopoly salt.

2956. Are the circumstances of the country such as to enable the Company to enforce that prohibition; can the smuggling be stopped?—There is now an establishment for the purpose on the frontier of Behar, within 16 miles of which western salt is not allowed to be lodged in any large quantity, and heavy penalties are prescribed; so that I believe smuggling does not now prevail to any great extent, although it is impossible to say that it does not at all prevail. The price of salt in the Behar districts, compared with that of the adjoining districts of Benares and Gorukpore, appears to show that the prohibition has been successfully enforced, and that Behar derives its main supply from our Calcutta sales, and not from Benares.

2957. Upon the admission of salt into the Company's dominions, is the highest rate of duty taken which it is possible to collect and to enforce; or if a higher rate was attempted, would it occasion smuggling?—It is difficult to answer that question with confidence. The object of Government in regulating the duty upon western salt has been two-fold: first, to avoid any sudden and large increase of price; and secondly, not to make such an increase as would encourage smuggling. And the duty has been considerably raised by a late regulation, of which, however, the effect is not known to me. Upon the salt of Lahore, and that from the lakes of Rajpootana, a duty of one rupee and a half per maund is charged, the other descriptions of salt paying one rupee on import into or transit through any part of the Ceded or Conquered Provinces. When brought to the frontier of Benares for import into that province, an additional rupee per maund is charged, which makes a total duty on the better kinds of salt of two rupees and a half, and on the inferior salts two rupees the maund.

2958. At some point does a prohibition arise?—Yes; salt from the west is not permitted to pass the boundary of Benares or Gorukpore into Behar.

2959. If there were no regulations whatever respecting salt in any part of the Indian territories; if the trading in it was as free as it is possible to imagine it to be, and that there was neither import duty nor export duty, nor regulations of any kind; from

28 June 1832.

Holt Mackenzie, Esq.

from what source do you believe the Lower Provinces of Bengal would derive their supply of salt; would it be from Madras, Ceylon, from Sunderbuns, or from England?—I should think a large quantity would still be manufactured in Bengal. The Hidgelee and the Tumlook salt would probably stand the competition of the imported salt in the general market, at least to a considerable extent; and elsewhere there would be a manufacture for local supply.

2960. Would it be so cheaply made in the district of Hidgelee as to enable it to undersell the coast salt from Madras, or that which might be brought from the coast of Ceylon?—I should think so; but the question turns chiefly on the calculation of freight, which I am not immediately prepared to make. My impression is that there would be considerable manufacture of salt in all the government agencies excepting the Twenty-four Pergunnahs and Jessore. I think the Chittagong coast would have a manufacture for the supply of the eastern part of Bengal.

2961. Is the salt manufactured at Chittagong consumed in the neighbourhood, or brought to Calcutta?—It is chiefly, I believe, consumed in the country to the east of the Megna River.

2962. Is there much of local consumption around the different agencies; for instance, is the salt that is manufactured at so considerable a cost at Bullooah, a cost that appears to be double the price that it costs at Hidgelee, is that consumed in the neighbourhood of Bullooah?—I suppose it is chiefly intended for the supply of the populous country immediately to the north of Bullooah, Tipperah and Sylhet, and other tracts to the east of the Megna. The different agencies present, of course, different facilities for the supply of particular markets.

2963. Where is Tumlook situated?—It is on the west of the Hooghly, to the north of Hidgelee.

2964. The Twenty-four Pergunnahs, is that more to the east?—The agency of the Twenty-four Pergunnahs lies to the east of the Hooghly, some of the works being in the Sunderbuns.

2965. When you state that the manufactory of salt would be continued in the district of Hidgelee and Tumlook if the trade was perfectly free, do you bear in mind the low charge at which salt can be obtained on the coast of Coromandel?—Yes, I calculated upon that.

2966. Does not the Government in Bengal allow 72 rupees per garce?—Seventy-two rupees for 100 maunds, of which 120, I think, is equal to a garce.

2967. Do you know what proportion of that is to cover the freight?—About 40 rupees.

2968. Of those 72 rupees, do you believe that any part is a duty retained by the Madras government?—Yes, the Madras government, which now sells the salt to the exporting merchant for 30 rupees the garce, has a profit, the precise amount of which I do not recollect at this moment.

2969. If that trade was entirely opened, do you think that the freight of salt would be very much reduced; could it not be brought to Madras at a very much less cost than 72 rupees the 100 maunds?—I think it probable that a considerable quantity might be brought at a lower rate than 72 rupees, but I am not sufficiently acquainted with the coast trade to speak with precision to the point; much depends on the demand on the coast for grain. If, as I apprehend, the Madras territories

territories are likely ordinarily to furnish the grain required for their consumption as cheap or cheaper than it could be supplied from Bengal, even 72 rupees would probably be insufficient to insure a large importation of salt. With a return cargo of grain, or for vessels otherwise passing up the bay with spare tonnage, the price would be ample.

2970. If the ports of Bengal were opened for the importation of salt upon a fixed duty, and the utmost facility were given for merchants to embark in that trade; if it should be found necessary, in order to encourage that, or to give free play to that trade, to prohibit the manufacturing of salt in the Lower Provinces of Bengal, could, in your opinion, such a prohibition be enforced: is there anything in the nature of the country that would make it difficult?—Much must depend on the amount of duty. If the duty were equal to that now collected, I should apprehend it would be impossible to prevent a considerable manufacture.

2971. Suppose that an import duty of two rupees and a half per maund was imposed, would that duty make it impossible to keep down the manufactory of salt on the sea coast?—I should apprehend there would be a large manufacture, in spite of the Government; at least, unless an extensive establishment were maintained.

2972. Is not the manufactory carried on invariably by boiling salt and the use of fire, and in that instance would not the manufactory be easily detected?—Yes, the salt of the Bengal presidency is all made by boiling brine, excepting in the southern part of Cuttack, where there is a manufacture by solar evaporation.

2973. Is it not such an evident manufactory, that it might be discovered and put down?—With establishment enough it might probably be put down, but not, I think, without a very large establishment. The tract of country is very extensive, and in many places inaccessible. Pots are easily made, and fires easily kindled, sufficient for a considerable manufacture But doubtless the manufacture might be very much checked, and there would be nothing like a supply of illicit salt equal to the demand of the country.

2974. Could a full supply be relied on over sea?—My impression is, that it could, but at what price I am really not able at present to say.

2975. Suppose that the utmost facility was given to persons to import salt over sea, subject to a fixed duty, that duty being to be paid when the salt was taken out of the golah for consumption, in what way do you think that it would be necessary for the Company to regulate the manufactory of salt within the Bengal provinces, in such a way as to secure to them the collection of the greatest revenue that could fairly be raised on salt?—I am disposed to think that it would still be advisable to continue the present agency system, considering the great difficulties that India presents to anything like an excise.

2976. What are those difficulties?—The fewness of Europeans, the strangeness of our government, the ignorance of the people, the extent and difficulty of access of the country, and the want of great capitalists. Even supposing it possible to compel individuals to conduct the manufacture as the government officers now do, I have no doubt that the circumstance of the manufacturers being considered in the government employ, has a great tendency to prevent illicit dealing, and makes it more easy to control them than if they were the servants of private agents, checked by a separate establishment.

28 June 1832.

Holt Mackenzie, Esq.

2977. If private merchants were to be permitted to import salt, setting up a fixed duty, and if the rate of that duty should be as nearly as possible the rate of tax which the Government practically collects through the means of its public sales, would the mixed system of private trade and monopoly trade be one on which it would be possible to act; would the persons who now purchase of the Government continue to purchase if they were exposed to the competition of individuals importing, subject to a fixed duty, or could private merchants trade in the face of the merchants purchasing under the government monopoly?—I should apprehend that the purchasers at our sales would not give such a price as to cover the tax. I do not think that, without some advantage, they could safely bind themselves to the speculation of a large public sale, in the face of others who were at liberty to speculate or not in the produce of foreign countries.

2978. Supposing that those others were always forced to pay a fixed duty, equal to the average amount of the government monopoly profit, would that introduce an equal competition?—Does the question imply a varying duty?

2979. No; supposing that the average monopoly profit of the Company has been found to have been pretty steadily of late years 275 rupees per 100 maunds, would a tax of that amount enable the traders in the different classes of salt, the fine salt and the Company's salt, to enter into a fair competition with one another?—I should apprehend that the purchasers at the Company's sales would have to lower their prices if exposed to competition on such terms, and so reduce the profit on what they buy below the fixed rate of duty.

2980. The merchants would of course go wherever they could get their salt cheapest, and if you laid on a moderate fixed duty on the salt imported, the effect of that would be, would it not, to oblige the Government to lower the price of their salt to the same price at which the salt could be imported, together with the duty; would not that be so?—Certainly; the Company must forego any excess of price to compensate excess in the cost of manufacture; that, however, is not an objection to the plan; and I assumed equality of cost and quality. But even on such an assumption I think the purchasers at the public sales could not venture in the face of a free market to bid up to a price that would cover the duty.

2981. But would not the purchasers give as high a price for the government salt as they would for that which was imported, and would not the two sell at the same price in the market?—I do not think they would give so much at public sales. If the Government adopted the plan of private sales, leaving merchants to purchase when the state of the market allowed them to do so profitably, they would be on an equality with the importer; but that is not the question at present.

2982. Do you see any objection to levying a fixed duty on the importation of salt, and the Government also selling the salt of their own manufacture in an ordinary manner, at such a price as to compete with foreign salt, not at sales, but according to the manner of ordinary merchants?—None, if a sufficient stock be in hand, excepting that I should apprehend a present loss of revenue.

2983. Then would not that depend on the amount of duty, supposing a high fixed duty was laid on importation of foreign salt; in that case you would keep up the same amount of revenue, would you not, by taking into account both the import duty and the profit of the monopoly?—For that purpose it seems to me that the duty

28 June 1832.

Holt Mackenzie, Esq.

duty must exceed the average of the net profit of the past sales; and my answer was given on the supposition of its being laid down as a principle that the average of the past should regulate the duty.

2984. But do you think if such a duty was laid on as upon the whole to return the same revenue to Government which they have at present, do you think that under these circumstances the price of salt in the market would be higher than it is at the present, the public having the benefit of the free trade and the choice of the two markets, the foreign and the home market?—It is very likely that the ultimate effect would be beneficial to the revenue; for I have little doubt that cheaper salt would produce a more extensive consumption. But the immediate effect of substituting private for public sales, the price and duty remaining the same, would, I think, probably be diminution of the revenue; and if public sales of the government salt are to continue, the existing system is practically very much what the question seems to imply, for salt may now be imported, subject to a duty of three rupees the maund, and that is not payable until the salt is removed from the warehouses, it being optional with the importer to retain it there for one twelvemonth; and I consider the three rupees duty as no more than sufficient to maintain the average of the past sales. I do not consider the rule that requires the duty to be paid at the end of the year to be a very important limitation.

2985. The Committee have been informed, that if the salt does not fetch a certain price, that it is by an existing Regulation ordered to be destroyed, and the Committee have been led to believe that the sale must take place immediately on the salt being imported; is that so?—No. The rule is, that the salt may, at the option of the importers, be lodged in the government warehouse without payment of duty, to remain there for one year, during which it may be removed by them for sale, on the duty being paid. At the end of the twelvemonth, if not previously removed, the salt is exposed to sale, for the recovery of the duty. The particulars may be found in the printed Regulation XV. of 1817.

2986 Is the Regulation a short one?—It is a short one. The three first sections specify the amount of duty, and provide that it is to be levied like other custom duties, (subject to the provision contained in the fourth section), and that a breach of the rules shall infer a forfeiture. The fourth section is in the following words: "The proprietor or proprietors of salt imported as aforesaid may, if he or they be so disposed, instead of landing the salt so imported at the custom-house, and paying the duty due and payable thereon in the manner prescribed generally for the payment of the duties denominated government customs on goods or merchandize imported by sea, deliver it on shore at the Company's golahs or warehouse, or such other secure place as shall be approved by the Governor General in Council, and secure and lodge it therein without payment of duty in the first instance; provided, however, that salt so warehoused shall not be removed until the duty imposed by this Regulation shall be duly paid." And the fifth and last section is as follows: "The importers, proprietors or consignees of salt which shall have been lodged or secured as aforesaid, shall within twelve calendar months, to be computed from the date of the production of the manifest at the custom-house, clear and take from and out of such warehouses or places all such salt, and shall pay the full duty imposed by this Regulation; and in case any such importers, proprietors or consignees shall

fail

fail or neglect so to do, it shall be lawful for the Governor General in Council, or such officer as may be duly empowered by him on this behalf, to cause all such salt to be publicly sold or exposed to sale; and after such sale, the produce thereof shall first be applied to the payment of the duty imposed by this Regulation; and the overplus, if any, shall be paid to the proprietor or other person authorized to receive the same; provided that no such salt shall be sold unless a price can be obtained for the same equal at least to the full amount of the duty aforesaid; but if such price cannot be obtained, then all such salt shall be effectually destroyed by and in the presence of such officer as the Governor General shall appoint."

2987. In the case of an arrangement being made to admit of the free import of salt into Bengal, subject to a fixed duty, would it, in your view, be advisable that the Government should be forced to purchase all the salt at the market price, or would it be better to permit the merchants to sell it on their own account, and to carry it into trade in the usual manner, without letting the salt pass into the hands of the Government?—My notion is, that if any change be made, the first step should be to allow and encourage the import by individuals, without interfering with the existing system of realizing the revenue. I see no reason why the Government should not purchase the salt imported if they can get it in any degree cheaper than that which itself manufactures, quality and convenience for the market to be supplied being considered; and if the result should prove that salt can be imported and conveyed to the place of consumption cheaper, and of a better or as good a quality as that which Government manufacture, gradually the government manufacture might be limited, or altogether cease. Thus, without interfering with the system of realizing the revenue, you might have an import sufficiently free and extensive to settle the question of cost and supply, leaving for future consideration the further question whether you would allow a free sale.

2988. You do not consider that experiment has yet been tried, inasmuch as the duty on the importation has been greater than the monopoly?—I do not think it has. Of the Madras salt there has indeed been imported as much as was required to supply the deficiency of the Bengal agencies, and more, I believe, than could be sold without a loss of net profit; but other sources of supply have not been much considered, nor arrangements discussed, by which importers might be assured of the purchase of what they might bring. I may observe again, that in comparing prices, advertence must be had, not only to the quality of the article, but to the convenience of supplying the different markets, which are now supplied from the several agencies.

2989. Would it not be a safe mode for Government to ascertain to what extent the chief supply of salt could be obtained over sea, for them to offer to take all salt that could be imported within a limited time, say 12 months or two years, at the rate of 65 rupees per 100 maunds; would it be prudent to offer as large a sum as that?—I should not apprehend any excess of supply at that rate, supposing the quality required not to be inferior to that of the Bengal agency salt: but the quality is a point of much importance, since a worseness of 10 per cent., which on the cost would only be 6½ rupees, might in the sale price make a difference of more than 40 rupees. And so of charges for interest, insurance, and waste on conveyance to a distant market, we must look not to the original cost, but to the amount advanced

28 June 1832.

Holt Mackenzie, Esq.

advanced by the dealer. There is also a question of convenience, viz. whether there be warehouses to receive the salt in the immediate vicinity of the river into which it is to be imported; and although, with restriction as to quality, I should not apprehend that at the above-mentioned rate there would be any excess of salt offered, it would, I conceive, be preferable, as the first step, to receive private tenders for a given quantity, to be regulated by the Government, according to all the circumstances which must influence their convenience and the prosperity of the revenue.

2990. If the cost at which Government could be supplied by import was less than they give at those agencies at which the price is the highest, would it not be a wise measure for them to discontinue the manufacture of salt at those agencies, and to manufacture it only at the places in which they could obtain it cheapest; such, for instance, as Hidgelee?—I have already remarked that the convenience of supplying the various markets must be adverted to, of which the best index seems to be the prices paid by the dealers. But looking merely to the question of cost, it is probable that the Government might manufacture at all the agencies a considerable quantity at a cost below the present average rate, since the price of fuel, which is an essential item, would probably fall if the manufacture were reduced.

JAMES MILL, Esq. called in and examined.

James Mill, Esq.

2991. HAS the situation which you have held in the India House made it necessary for you to turn your attention at all to the great monopolies established in India, one of salt and the other of opium?—It has.

2992. Do you believe, from what you know of the subject, that the inhabitants of the Lower Provinces of Bengal pay a much higher price generally for their salt than is necessary to cover the cost of manufacture and the amount of the revenue or monopoly profit which the Government derives by the sale of salt?—The Committee have been informed by various persons, and have seen it stated in various publications, that the regulations of the Company are such as to enable the purchasers from the Company to establish what is called a sub-monopoly, and thereby to extort a far greater price from the consumers than is necessary, in order to collect the tax which the Company obtain; is it consistent with your knowledge that such is the case?—I am aware that such an opinion is very generally entertained, but I confess I have always had strong doubts of the correctness of it. The mode in which the sales of the Company are conducted is by open competition; auction. The matter of fact is, that the purchases at these auctions are made by a small number of persons of large capital, and also that from these large purchasers the smaller dealers are supplied. From this it is inferred, that these large capitalists, few in number, erect a monopoly; but I am strongly inclined to think that this is rather a speculative opinion than a matter of fact; and I go on this ground, that if the profit made by this small number of persons who resort to sales, it being open to every body to resort to them, was in reality a monopoly profit, more capital would be drawn into it, since there is no want of large capital at Calcutta for that or any other promising speculation. On that ground, I doubt exceedingly whether there is any such thing as a sub-monopoly.

2993. It has been stated, that the want of sufficient frequency in the sales, and not less than 500 maunds of salt being the least quantity sold, has a tendency to keep

keep persons of small capital out of the trade; do you believe that to be so?—The sales I think are as numerous as one every month. I therefore cannot imagine that from the want of frequency there can be any inconvenience or tendency to the supposed monopoly; and 500 maunds for the wholesale dealer I should not think an exorbitant quantity.

2994. It has been stated, that in regulating the quantity which the Company from time to time put up for sale, they are guided solely by the amount remaining on hand unsold by the purchasers at the preceding sales; if that was the case, it would appear that the preceding purchasers would have it in their power in some degree to regulate the quantity which the Company should bring to market, and in that way to limit the supply, so as to raise the price to an unnatural height; do you believe that the Company have any such rule, or that any such effect does take place?—I think that the quantity on hand is of course taken into the account in fixing the amount which they deem it advisable to put up; that is to say, they are guided in estimating the quantity the market is likely to take off by the knowledge of what is taken off at a previous sale; but I should say, that the quantity on hand is only one of the elements of calculation. They take into account all the circumstances that can tend to guide them in estimating the quantity which the market will take off at such a price as they wish to obtain.

2995. Have you ever had reason to believe that the purchasers of salt at the government sales grow rich faster than other traders in Bengal; are there any evident proofs of their success in establishing a second monopoly?—I have never heard of any such thing. I recollect one instance to which suspicion was attached; an occasion on which very large purchases were made, and great losses the consequence. I speak with imperfect recollection; but it was suspected that these unusual purchases were made with a view to establish a sub-monopoly. They ended in loss, not profit; and I believe that no monopoly exists, because I have never heard that there are any extraordinary profits made by this class of merchants, nor do I believe that it is practicable to make them.

2996. And if it did appear they had made extraordinary profit, might not that have arisen from smuggling, and been attributed improperly to a sub-monopoly?—The idea of a sub-monopoly has arisen from the circumstance that a small number of purchasers appear at the Company's sales and get, of course, the whole of the salt into their hands. They, by combining, might fix the price at their own pleasure, and undoubtedly would do so if the market was not open to others who would unquestionably be attracted to it if greater profit was made there than elsewhere.

2997. But supposing it had been observed that persons had grown rich more rapidly than others, might it not have arisen from smuggling?—The great purchasers do not smuggle; whatever smuggling there is, is not performed by the merchants.

2998. If the export from Madras and from Ceylon and England were unencumbered and free from regulations, and if the imports into the Ganges were without duty or examination of any kind, and that the whole trade in salt was as free as imagination could fancy; under those circumstances, in what way do you think Bengal would be supplied; would it be by import or the manufacture of salt in the district?—

district?—I have very little doubt it would be by import; the facts which have more particularly come under my consideration are those of the manufacture on the Coromandel coast; I believe that salt might be imported into the Bengal river from the coast cheaper than it can be manufactured in the Bengal districts

2999. Does not Bombay supply a large quantity of salt?—It is capable of supplying any quantity. With so warm a sun, so extensive a coast, and a dry atmosphere, during a part at least of the year, I should imagine that salt might be manufactured, and very cheaply, to any extent.

3000 If you are right in that supposition, is it not evident that the Bengal government do not at present obtain the salt from the cheapest source of supply?—I have long thought they did not, and have very often been surprised at the disinclination they seemed to have to enlarge their orders from the coast; they have always been urged by the Madras government to do so, the salt affording a return cargo to the vessels that went to Bengal for corn.

3001. Assuming that it must continue to be an object with the Government in Bengal to raise as large a revenue as they fairly can on salt, even if it should be desirable for the purpose of obtaining the cheapest supply in the first instance to encourage an import of salt; is it not evident the imposition of a duty on salt when imported would act as a protecting duty on the manufacture of salt within the province of Bengal itself?—To the extent of it, certainly.

3002. In what way would it be possible to levy a countervailing duty, if the present monopoly system was given up; do you believe the state of the country is such as to enable you to collect an excise duty?—I am afraid there would be very great difficulty, great expense, great scope for abuse, and smuggling. The safest mode in trying the importation of foreign salt would be, to import it on account of Government; to confine the dealings of the merchants to the Government as sole purchaser: some difficulties would be found in the way. There must be something like a certainty as to the annual supply. The Government has to regulate the thing pretty exactly, to be sure, on the one hand, of having an adequate supply, and on the other, of not having too much. I do not know any other mode that it would be safe to begin with but that of advertising for a certain quantity and receiving tenders.

3003. Could you, in that case, throw the trade open to persons willing to import either from Madras or Bombay, from Ceylon or from England; or would that overwhelm you with salt?—I think Government must limit the quantity; it must publish its intention to purchase only so much. The merchant in that case would deal only by tender. Nobody would bring salt to Bengal under a possibility that Government would be fully supplied, and he would have to take it away again. If Government advertised for tenders, merchants would engage with them for so much, and then it might come from any part of the world.

3004. If that was so, they could then discontinue a part of their manufacture in Bengal?—It would be their obvious interest in that case to supply themselves from the cheapest source, whatever it was, and discontinue their own manufacture if they found the salt could not be yielded from it so cheap as they could purchase it elsewhere.

3005. Would

3005. Would this enable them to feel their way, so as to ascertain whether they could ultimately discontinue either the whole or the greater part of their manufacture in Bengal, and whether they could suppress a clandestine manufacture, if they were desirous of doing so?—I think that would be the course for it.

3006. And by those means, do you think you might prepare the way for a free trade of salt at a duty?—In this way the Government would ascertain from what part of the world they could obtain salt cheapest, and they would also ascertain exactly whether they could obtain it with certainty in the quantity they wanted; and if they found they could obtain it at a lower price with certainty, they might discontinue their own manufacture wholly.

3007. And suppress it wholly?—Yes; though an objection, which has appeared of weight to some persons, arises from the risk attending a supply from foreign parts on account of the obstructions of war. If, however, the supply were mostly from Ceylon, the operations of war could give little obstruction so long as we are masters at sea. The expense of the manufacture is enhanced by the quantity required; but I have no doubt that they would always be able to produce a certain quantity in Bengal as cheap as it could be had anywhere else.

3008. Would it be possible to adopt an arrangement of this description: to permit the import of salt into Bengal on account of private merchants, charging it with a fixed duty, assuming that that duty should be equal to the average profits which the Company derive on the sale of salt, which is stated to be about two rupees and a half per maund, in order to enable private merchants to trade with the same sort of confidence in competition with the Company; would it be possible that the Company should adopt this rule, their salt should be sold at a fixed price in moderate quantities, and at all times, and that that price should be calculated upon this basis; that the duty should be estimated at the same rate as the import duty, say two rupees and a half per maund, and that they should charge in addition only the cost of manufacture, with the average profit on it?—Two questions I think have been proposed: one as to the mode of conducting the sale on account of Government; the other, whether salt imported under a countervailing duty could still come into competition with the government salt with safety to the revenue on the one side and the traders on the other. I will take the latter question first; and what occurs to me on it is this; that if it was perfectly open to every body to import salt under a fixed duty, there would be great uncertainty as to the quantity supplied in one year as compared with another; Government would never know beforehand what quantity might arrive, and thence would act under a constant uncertainty of the quantity which it would be necessary for them to provide. The merchants would be subject to equal uncertainty. If salt was imported under a high duty, it could not be sold by them under a high price. Their fortune would, therefore, be entirely in the hands of the Government, which, by increasing the quantity offered at its sales, might reduce the price so much as to ruin the merchants; there would be constant room for dispute, constant collision, not to speak of other sorts of confusion. With respect to the other question, that relating to the modes of sale, whether sale at fixed prices to all purchasers, or sale by auction at fixed times, be the best, I may observe, that the practice of selling at a fixed price is that which is followed at Madras, but it is found attended with very considerable inconvenience; gross abuses attend

28 June 1832.

James Mill, Esq.

attend the distribution of it in small quantities from the golahs. The Government, the people and the merchants are all defrauded. It does appear to me that the best mode of getting clear of those abuses is to employ public sales as at Calcutta. I never could imagine any inconvenience arising from these public sales, except on the supposition of a sub-monopoly, which I think is chimerical.

3009. If it was thought desirable altogether to abandon a duty on salt in the East-India Company's dominions, and at the same time to raise an equal amount of revenue, could you point out any mode of raising it which would be less inconvenient or less onerous to the people?—I know of no substitute for the tax on salt which would be so little onerous to the people.

3010. Why could not the same agencies which prevent smuggling now, prevent it under the excise system, and why might not an excise duty be collected?—At present the extent of agency is reduced by the limited space of the salt districts; a line of custom-houses goes round the salt districts, and by taking care that no salt gets without that line, you have done every thing; the salt passes every where without any further inquiry or obstruction. I do not see how an excise duty could be levied with these advantages.

3011. Under an excise duty any person would be allowed to manufacture salt, on paying the duty?—Yes.

3012. Might you not have it more or less restricted?—Yes.

3013. Might you not allow other persons to do it on paying duties; and though that would require an increase of establishment, it would do so only in proportion as the increase of manufacture and the consumption of salt took place, would it not?—The manufacture in the case supposed would be more distributed, and would often be carried on by individuals with small capital in a great number of little places, every one of which would have to be looked after. At present the concentration of the agencies is as great as possible; and I do not see how, if the manufacture was allowed to distribute and disperse itself *ad libitum*, it would not become a much more difficult thing to protect the revenue.

3014. Supposing you oblige the manufacturers to concentrate themselves within some space within which the government manufacture is now carried on, there probably would be danger of combination and monopoly among them?—Monopoly, I think, would not be the greatest danger; but there would be great temptation to use all sorts of expedients to get the article furtively through the line of protection. The manufacturers themselves would have an interest in smuggling, and having a command of capital, would be more enabled to do it than the mere workmen employed by Government. Capital is very essential to smuggling; besides I do not see any advantage to be derived from private manufacture; I can think but of one good objection to the Government's manufacturing for itself, namely, that it manufactures at a great expense. If private manufacturers could bring salt to market at a less cost of production than Government, that would be so far an advantage; but I am not sure that such would be the case; for I believe the Government management in this matter is brought to great perfection; and it is certain that it has great advantages.

3015. With respect to the opium monopoly, there appears to be two great questions; one is as to the possibility of maintaining the monopoly profit which the

Company

Company at present obtain from it; the other is as to the mode in which the profit or duty should be realized. It appears that the government of Bengal cannot command either the supply of the opium, or the market of consumption; that from that circumstance the monopoly profit that they have hitherto obtained is exposed to very great hazard; have you had such information on the subject as enables you to form any opinion, or to give the Committee any information as to the probability either of the extent with respect to time, or with respect to profit, that there is a prospect of continuing in the advantage of this monopoly?—There is no doubt that the opium revenue is at present in a precarious state. Some years ago it was threatened by the increasing production in Malwa. So long as the country between Malwa and the coast was in the hands of the Mahrattas, and the transport of valuable commodities was insecure, only a small quantity reached the coast. When the country came into our possession, and carriage was safe, it was seen that a large supply might go to the China market and lower the price. To obviate this evil, we entered into treaties with the chieftains in whose territory the opium is grown, and obtained their consent, for a pecuniary consideration, to limit the quantity grown in their territories, and to sell the whole of it to us. Under that arrangement we were able to preserve the monopoly price; for though it was found that a very considerable quantity of opium smuggled from Malwa reached the coast, it did so by such a length of circuitous road as forced a heavy cost of carriage, so that it could not be sold at Demaun but at a very high price, so high as still to afford a great profit to our Government, both on the opium obtained from Malwa and also on the Bengal opium. These treaties it has been since thought expedient to give up, on account of a supposed harshness in their operation, a supposition in which I never was able to concur. The present system is to charge a duty on the transit through our own territory. A high duty has been charged; whether it will be possible to keep it up remains to be seen; it is obvious that it never can go beyond the expense of carrying the commodity round our territory to the sea.

3016. Do you happen to know whether it goes freely out of the port of Demaun, or is there a duty charged there?—There is a duty; and I think we might make an arrangement with the Portuguese that it should be a high duty.

3017. The present high duty is much less, is it not, than the monopoly profit of that which is manufactured in Bengal?—The monopoly profit on that manufactured at Bengal is higher on this account, that the prime cost is higher in Malwa than in Bengal. Opium is grown in Malwa under a high assessment of the land; that however may be reduced, and probably will, when the chieftains better know their own interest. In that case, I know nothing which should hinder opium from being grown as cheap in Malwa as in Bengal.

3018. Is the climate equally good?—It is said to be equally good, and the land equally productive.

3019. Do you happen to know what the cost of growing opium in Malwa exceeds the cost of growing it in Bengal?—My recollection, from the official statements, is that it exceeds by about 400 rupees per chest. A Member of the Committee, whose information I have no doubt is accurate, states that the cost in Bengal is about one-fourth of that in Malwa.

28 June 1832.

James Mill, Esq.

3020. Has any calculation been made which would enable you to judge what extent of supply thrown into the China market would reduce the cost of opium to the cost of bringing it there, leaving no monopoly profit or export duty whatever?—I think nothing beyond a vague conjecture can be formed on that subject; for we know hardly anything of the China market, but that it has taken so much, and at such prices. Our experience of the past is, in this case, little of a guide for the future. We see that an increasing quantity has gone to China, and that this has gone off at a high price. The late reduction of price may have been produced by the competition of the merchants, who have been able to supply themselves more cheaply.

3021. If the Committee assume then, that the price in China continues nearly the same as it is, that the expense of growing opium in Malwa continues as much greater than the expense of growing it in Bengal, and that it is also loaded with transit duties to a considerable amount, in competition with the opium brought to the market under such circumstances; what do you think would be the monopoly or selling price of the Bengal opium; would it be very much less than it has been lately or is at present?—Several of the duties alluded to in the question remain very uncertain. We cannot tell what the cost production of Malwa opium will be reduced to; my own notion is, it must be very much reduced; it will certainly be very much reduced if the governments there are wise enough to lower the assessment. The amount of the transit duty will depend on the cost of carriage to Demaun; what that may be reduced to can also be but vaguely conjectured. Whatever price, however, can be imposed on the Malwa or other opium, beyond the prime cost of the article in Bengal, may always be insured as profit to the Government on the Bengal produce; and if its hopes are realized that it can increase the quantity in Bengal very much, and come into competition in the Chinese market to a large extent with even the cheap Malwa opium, then a very considerable revenue may still be realized.

3022. Do you believe, in order to maintain the revenue which the Bengal government obtains from opium, it is necessary that they should increase the quantity grown in Patna and Benares?—If the rate of profit is very much reduced, they must sell a greater quantity to realize the same amount.

3023. Is there any mode by which the Company can raise the largest amount of duty which can fairly be levied on opium in a way less objectionable than that which they now have recourse to. It has been suggested to the Committee, that either by an increase of the land revenue on the land on which the poppy is grown, or by an excise duty similar to that which is levied on hops in England, or by an export duty levied at the port of shipment, that by either of those three modes a duty might be levied less objectionable than the present; do you believe that all or either of those are to be preferred to the present?—In reality I see no objection to the present mode at all; I think it is exceedingly clear of all ground of objection. The only question as to the mode of raising the revenue from opium is how it can be done cheapest; because I conceive that in the mode in which it is now raised there is no injury or hardship to any class of persons, and I do not see that there is any other mode which could be resorted to in which the business could be done at so little cost as in the present mode.

3024. Is

28 June 1832.

James Mill, Esq.

3024. Is not the present duty levied entirely on the foreign consumer?—Entirely on the foreign consumer. There is a duty levied on the home consumer, but in a different way.

3025. Is not the home trade in opium very inconsiderable?—Very inconsiderable.

3026. Do the Hindoos consume it?—To no great extent. The monopoly operates as a tax merely on the foreign consumer.

3027. Has the present monopoly an injurious effect on the persons employed in producing the opium; is there any reason to believe the cultivators of the poppy are in a better condition than the other cultivating ryots of the Company's territory?—I think they are. It is perfectly optional with them to grow opium or not; and then the Company's payment is always sure.

3028. If the Company abandon the opium monopoly, and abandon all attempts to raise a duty on it, would the ryots be benefited, or would the course be that the zemindars would put into their own pocket, in the shape of an increased rent, all the difference between the present allowance for cultivating opium and the sale prices at the high rate of profit which the China market creates?—I think neither would be benefited for any length of time, because the quantity grown would reduce the price to the level of other things grown on similar soils.

3029. In the intermediate time, would not the profit go into the pocket of the zemindar?—Most certainly.

3030. If a ryotwar settlement existed, would not the profit be collected by the Government in the shape of an increased land revenue on the poppy lands?—A higher assessment might be imposed, as is now done in Malwa: a higher rent is demanded for the land on which the poppy grows.

3031. Is the Committee right in collecting from you generally that where the zemindary settlement prevailed, the profits of the opium rents, as long as kept up, would go to the zemindar?—Yes.

3032. But where the ryotwar settlement prevailed, it might, and probably would, go to the Government?—Yes.

3033. In neither case it would go to the cultivating ryot?—It would not.

3034. Would it be possible to collect a higher rate of duty, or as great an increase of land rent as is at present obtained under the monopoly, on the cultivation of the poppy, or would it be just to the zemindar?—I think no injustice whatever would be done to the zemindar. The increase of assessment would be something distinct from what he could derive from the land in other circumstances; but I think the doing so would be a source of heart-burning. I think it would be difficult to make the zemindar believe that every thing in the shape of assessment on the land did not belong to him.

3035. Do you know how much the cultivating ryot is allowed for poppy juice?—I cannot speak to the exact allowance.

3036. Is it not three and a half rupees?—Yes, I believe it is.

3037. Supposing the cultivation and manufacture were left in private hands, would it be possible in any way to levy upon the cultivators of those lands, or conductors of those manufactures in the early stage, a duty or a rent equal to 14 times the prime cost?—I think it would be impossible. The difficulty of preventing smuggling in the case of an article, the price of which is raised artificially so much beyond

28 June 1832.

James Mill, Esq.

beyond the real cost of it, particularly if a great value is included in a small bulk, would be altogether insuperable were the growth of it general.

3038. Could an equal duty by possibility be raised by an export duty, or by a transit duty of any kind?—That implies the same difficulty of general growth; and I do not see, if the growth is general, that you could by any means secure the collection of a high tax on it.

3039. And if the growth was confined as it is at present to the district of Behar and Benares, could a private duty then be levied equal to the present amount of the profit?—The difficulty would be reduced in proportion to the reduction of the limits; but I do not see what advantage could be derived from the change.

3040. Would it not be very difficult to prevent smuggling over sea, in case of levying a private duty?—I should think it the next thing to impossible.

Mercurii, 18° *die Julii*, 1832.

ROBERT GORDON, Esq. in the Chair.

THOMAS BRACKEN, Esq. called in and examined.

18 July 1832.

Thomas Bracken, Esq.

3041. Do you apprehend that there would be any difficulty in finding sufficient capital to carry on the cultivation of opium if the government monopoly was abandoned and the revenue raised by an additional assessment on the land?—No, I do not anticipate that there would be the least difficulty in finding the capital for that purpose.

3042. Capital to be advanced by Europeans?—Yes, or by native capitalists.

3043. And advanced to natives as well as Europeans?—Yes; I should recommend that Europeans be allowed to enter into the trade also. The present regulations of the Company, restricting the holding of lands by Europeans, would prevent their engaging in it successfully.

3044. But you would recommend that they should be allowed to do so?—Yes, I should; there ought to be no distinction; any person that chose to undertake it should be allowed to do so. An inference may be drawn in favour of the supply of capital for the cultivation of opium, from the fact, that for many years the annual advances made by the houses of agency in Calcutta for the cultivation of indigo averaged from 1,500,000*l.* to 2,000,000*l.* sterling. Within the last year or two in consequence of the great fall in the price of indigo in the London and continental markets, more than one-third of that advance is relieved by the reduced cultivation, and is available for any other purpose.

3045. If the opium monopoly was abandoned by the Government, and the cultivation allowed to private individuals, in what way would you propose that the duty upon the opium should be levied?—I should propose a duty upon the export, in preference to the increased land assessment which has been alluded to.

3046. When

3046. Then you would propose levying no duty upon any opium that was raised and actually consumed in Bengal itself?—The consumption in most parts of Bengal is small: in Rungpoor, however, no doubt a considerable quantity would be used, because Rungpoor has a large Mussulman population. The East-India Company have put down by strict regulations the cultivation of the poppy in that district; but assuming its growth to be now permitted, an excise tax might be levied upon it.

3047. How could you levy an excise tax upon the opium?—By attaching penalties to vendors of opium, unless licensed.

3048. You would not endeavour to collect an excise duty upon the juice?—I should think that would be very difficult.

Mercurii, 25° die Julii, 1832.

ROBERT GORDON, Esq. in the Chair.

THOMAS BRACKEN, Esq. called in and further examined.

25 July 1832.

Thomas Bracken, Esq.

3049. HAVE you ever been in those parts of the province of Bengal where salt is manufactured?—Frequently.

3050. Have you ever considered whether the health and comfort of the natives were much deteriorated by engaging in that manufacture?—The parts I have been in are chiefly on the line of the Sunderbund salt dunings, and in those parts I consider the appearance of the population to be most unhealthy; and it impossible for it to be otherwise from the nature of the country, which is on the borders of the great jungle south-east of Calcutta. The manufacturers are liable also to be carried off by tigers, but not to the extent they formerly were; it does occasionally happen even now.

3051. Can you state to the Committee any comparative view of the deaths in that unhealthy neighbourhood, compared with other districts?—That I cannot speak to; I can only speak of the appearance of the people, not as to the actual deaths. The information they themselves gave was, that they were subject to more fatal diseases there than in other parts of the country which were better cultivated.

3052. Is there any unwillingness on the part of European servants of the Government to visit that neighbourhood, from the apprehension of any disorders?—They visit it only at certain times; when the unhealthy season sets in, they generally come up to Calcutta from that district.

3053. Is there a general impression among the Europeans and natives of India that the manufacture of salt, as so carried on in those districts, is productive of a waste of human life?—Unquestionably that is the general impression, the opinion entertained by most of the Europeans and natives I have conversed with on the subject.

3054. Have

III.
REVENUE.

5 July 1832.

Thomas Bracken, Esq.

3054. Have you any means of comparing the waste of human life in the manufacture of salt with the waste of human life in the cultivation of rice, or the manufacture of indigo?—No; I have no means of comparing the actual proportions of deaths in either pursuit; but I never heard any allegation of insalubrity attached to the cultivation of indigo or rice.

3055. Supposing this country, now appropriated to the manufacture of salt, was to be converted into rice grounds, would not the persons employed in the cultivation of rice in that country be equally liable to ill-health and the attacks from animals in the jungles, as from the manufacture of salt?—They would at first; but the cultivation of rice supposes the clearance of the ground. What the salt manufacturer suffers from is the permanent contiguity of the salt-pits or works to the jungle. In the jungles, or on the banks of the nullahs where they make their salt, if rice were cultivated, the land would necessarily be cleared, though the persons engaged in clearing would be at first liable to the same disorders as the salt manufacturer.

3056. The removal of jungle for the introduction of the cultivation of rice would, in your opinion, introduce a great salubrity?—Unquestionably.

3057. Can you state whether if the manufacture of salt was abandoned, that land so occupied by the manufacture could be in your opinion profitably appropriated for the cultivation of rice?—I have no doubt, if the clearance of the jungle were effected, rice would be grown; for perhaps some of the most fertile land in India is at present occupied by jungle, judging by the lands which have been cleared and cultivated.

3058. From what natural causes does the unhealthiness of the district arise?—I attribute it to the jungle and the swampy character of the country, producing agues and fevers of the most virulent description; large masses of vegetable matter rotting in water, and exposed to an intense sun, are always destructive to the human constitution.

3059. Are you aware whether the same unhealthiness prevails in those salt districts where the salt is manufactured by solar evaporation?—I have never personally visited the salt manufactories on the coast, and therefore I cannot speak from my own personal knowledge; but I have never heard insalubrity imputed to the manufacture of coast salt.

3060. There is no jungle there?—No; and I may mention that on Saugur island, which is now nearly cleared of jungle, and which was perhaps the most unhealthy place in the world, there is a large population, not suffering more from disease than the inhabitants of the opposite bank of the Hooghly, which has been long in a state of cultivation.

3061. Was that a salt establishment at one time?—No; I do not think they formerly made much salt on Saugur; but there are now salt-works both on it and in the neighbourhood; I speak of Saugur, because there the unhealthiness proceeded from the jungle; where the jungle is cleared away, it has ceased to be particularly unhealthy.

3062. [illegible] Europeans leave the Sunderbunds when the rainy season [illegible] manufacture is abandoned when the rains commence, is it [illegible]?—

25 July 1832.

Thomas Bracken, Esq.

not? The manufacture of salt is abandoned, or rather deferred; but the people still live on the borders of the Sunderbunds.

3063. Is the population very dense? does it require a great number of persons to work in the manufacture of salt?—There are a great number employed in the manufacture of salt; I should think there are 100,000 people at least engaged in it.

Mercurii, 1° die Augusti, 1832.

ROBERT GORDON, Esq. in the Chair.

THOMAS BRACKEN, Esq. called in and further examined.

1 August 1832.

Thomas Bracken, Esq.

3064. Are you acquainted with any lands held absolutely by Europeans in the island of Saugur?—The whole of the island of Saugur is now held by a Company, under a lease from the Government for 99 years, to the best of my recollection.

3065. Do you know anything of its state of cultivation, and whether it has been improved of late years?—The society that originally subscribed to clear Saugur expended the whole of their funds after clearing a certain part, they then divided out portions of the land to such persons as were inclined to take leases under them, those leases being generally on the same terms as the lease to the parent society. These minor societies, of which there are several, some consisting of four or five proprietors, and some of only one, have continued clearing, and they have brought nearly the whole of their land into a state of cultivation. The rice crops there are as good as in any other part of India.

3066. Is the labour performed by natives of the island?—They came from the mainland, some from the Midnapore zillah, some from the 24 Pergunnahs; they were induced to come from obtaining lots of land for five or six years without paying any rent; after that period they were to commence with a small rent, subject to such future increase as might be agreed upon. The society itself is bound, after the end of 20 years, to pay a land-tax to the Government on the cleared lands.

3067. The ryots that come do not receive wages?—No; they take so many begahs of land and clear them, and for the first four or five years they do not pay any rent; after that they engaged to pay, I think, eight annas a begah for a term of five or ten years.

3068. Has the clearing been in considerable progress, so as to enable you to say whether it is a successful experiment?—Perfectly so as regards the clearing by the sub-societies. I have not the slightest doubt that, in the course of time, a similar system will clear away the whole of the Sunderbunds, although there is so much jungle, and the Europeans in charge have had great difficulties to contend with. Saugur has now, I believe, about 10,000 inhabitants, and I recollect it when there was not a soul upon it.

3069. Do

1 August 1832.

Thomas Bracken, Esq.

3069. Do you know upon what terms the Europeans and natives have lived together?—I have never heard of the slightest complaint; there is no police there, at least there was not when I left India. The darogah, on the opposite side of the river, at a place called Kedgeree, wished to send some of his peons to Saugur, but the English superintendents were requested by the natives to use their influence to prevent the establishment of a police station. There had been no disturbance, and nothing to occasion the necessity for a police force coming there.

3070. What judicature is it under?—It is under the 24 Pergunnahs I rather think, and is about 100 miles from the zillah court. There was one criminal case in 1829 or 1830; a man cut his wife's throat in a fit of jealousy, and to the best of my recollection, he was sent to Calcutta.

3071. Is there any harbour or quay by which you can approach?—You can approach it from the river from Calcutta, the south side of it is towards the sea. The Hooghly is on the west, and branches of that river on the north and east.

3072. All flat?—Yes, quite flat. I may be allowed to consider this island a proof that if capital had been allowed to go to other lands, it is fair to presume the progress of improvement in the produce of India would have been greater.

3073. And consequently the revenue increased?—Yes, consequently the revenue would have been greater. If the same facilities which have been granted to the clearing of Saugur had been applied to the cultivation of sugar, I am decidedly of opinion that East-India sugar would have been greatly improved in quality ere this. We could supply any quantity were the duty here reduced.

3074. Can you say from your own knowledge that those individuals who hold the island of Saugur would have preferred expending their capital in the improvement of land already under cultivation?—I should say, certainly. As a subscriber myself I should have preferred it to the venture on Saugur. One of the great difficulties with respect to Saugur is, that it is liable to inundation from heavy gales of wind; this has made the clearance very expensive.

3075. Is the condition of the ryots, who cultivate the Sunderbunds, superior to the condition of the ryots in any other part of our territory?—No, but I should say it is not worse: Saugur has not been, in the cleared part, particularly unhealthy; it is as healthy as the opposite shore of Kedgeree.

3076. The question referred to the condition of the natives that cultivate Saugur? —The natives are in much the same condition as all ryots engaged in clearing lands; they suffered at first from tigers, but guards with muskets were provided, and the island is now almost free of tigers.

3077. Are there other lands held by Europeans, and since what time?—Many estates have been held by Frenchmen; I know one large estate called Rudgheefghur, which formerly belonged to a native chieftain, and which was transferred by his heirs to a French gentleman of the name of Fortier. The policy of excluding Europeans from holding lands is confined to the East-India Company; the native princes do not appear to have participated in their fears.